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ABSTRACT

The Oregon Quality Education Model (OQEM) is a project that attempts to provide a cost for the state K-12 public education system by offering school funding decisions on a rational basis, based on facts and needs, that can be quantified. The House Special Committee on the Education Model Review was appointed to critique the OQEM since the project had suggested that school funding should be approximately $1 billion more than what the governor and legislature had planned to spend. There was no consensus within the committee; however, the diversity of the committee membership provided a variety of viewpoints shared by the public. A school-finance consulting firm was contracted to review the OQEM from a national perspective. This document reviews the findings of the firm as to funding performance, committee priorities, class size, teachers and administrators, remedial education, educational governance, transportation, and second languages. A summary of the consulting firm report and suggestions offered by the firm are included. (DFR)

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The House Special Committee on the

Education Model Review

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March 2000

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March 7, 2000

Representative Lynn Snodgrass
Speaker of the House of Representatives
269 State Capitol Building
Salem, OR 97310

Dear Speaker Snodgrass:

I am pleased to report to you the findings of the House Special Committee on the Education Model Review. As you are aware, your charge to this committee was to review the Oregon Quality Education Model, relying heavily on the insights of the committee's classroom teachers. In our eight meetings we discussed at length whether funding could be tied to student performance. Research in this area is not complete, and members relied on their own experiences to develop their opinions. Needless to say, opinions varied greatly, but all were valuable points of view that, I believe, help move us forward in the school finance debate. I'm sure that I speak for all our members when I say that I look forward to seeing the research on this topic as it develops.

The members of the committee are sensitive that funding alone does not guarantee a quality education. If that were the case, there would be no need for colleges of education, teacher standards, or the identification of "best practices." While the model's prototype schools do include important components and elements, the committee commented and expanded on these.

While I wish to thank all the members for their hard work, I want to extend a special "thank-you" to the teachers on the panel, who, after a long day at school, were dedicated enough to their profession to attend our evening meetings. If these members represent Oregon teachers, then our schools are in very good hands, indeed. Teachers have stressful jobs, and are asked to take on additional tasks constantly. Too often legislators or the Department of Education appear to focus on what's wrong with education, instead of celebrating what's right. While I think that we do value all the work they do, sometimes that message is not clear.

I would advise that this report be forwarded to the Governor's Quality Education Commission and the Education Leadership Team, so that they may benefit from our review in their work.

Respectfully,

Jackie Winters

Rep. Jackie Winters, Chair
House Special Committee on the Education Model Review

Committee members

Rep. Jackie Winters, Chair
Rep. Elaine Hopson, Vice-Chair
Rep. Vic Backlund
Rep. Betsy Close
Rep. Ryan Deckert
Rep. Juley Gianella
Rep. Jeff Merkley
Rep. Susan Morgan
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The House Special Committee on the Education Model Review

Final Report

March 2000

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EXECUTIVE SUMMARY

Education is important. A statewide poll indicates that the quality of schools ranks as the most important issue to voters.[1] However, the same poll shows that a majority of voters say property taxes are too high and that governments provide unnecessary services or spend more than they should to get the job done. Since passage of Ballot Measure 5, financing schools has largely shifted to the state. Lawmakers debate how much money should be budgeted for schools, without a definition of what a K-12 education should look like or how much that education costs.

In March 1999 Rep. Lynn Lundquist released a draft of The Oregon Quality Education Model (OQEM), a project he had initiated in an attempt to cost out the K-12 public education system. The Model was an effort to give school funding decisions a rational basis, based on facts and need that could be quantified. The final report was available in June 1999.

The Model suggested that school funding should be at a $5.65 billion level for the 1999-01 biennium, although it could be phased-in for $4.95 billion. The $5.65 billion figure was approximately $1 billion above what the Governor and legislature had planned to spend when the legislative session began.

Speaker Lynn Snodgrass appointed the House Special Committee on the Education Model Review in March 1999. This committee, made up of legislators and educators, was to critique the Model. The Review Committee met eight times, and concluded its work in January 2000.

While there was no consensus within the committee, the diversity of the committee membership provided a variety of viewpoints shared by the public. The school finance consulting firm, Augenblick & Myers, was contracted to review the Model from a national perspective.

School Funding

Nationally, the school funding debate is shifting emphasis from equity concerns (every child deserves an equal opportunity for an education based on funding) to adequacy concerns (every child deserves an adequate education enabling future success). Lawsuits are forcing states to define what an adequate education is and to fund to that level. Each state struggles with this, and a variety of approaches have evolved from attempts to define the costs of an adequate education. Experts do not agree on what model should be used.

The Oregon Quality Education Model

Essentially, the Oregon Quality Education Model is a school finance model that is referred to as the "market basket" or "professional judgement" approach. This type of modeling system is based on a variety of "inputs" such as teacher costs, building costs, and curriculum costs, as determined by a panel of those with education expertise. From this information prototype schools can be configured as a basis for cost estimates statewide.

Under the Oregon Quality Education Model, three types of prototype schools are configured: an elementary school, a middle school, and a high school. In order to more fully develop the prototypes, certain assumptions about the schools were made, including tangible ones such as class sizes, school sizes, teacher experience and more intangible ones such as principal leadership, parental involvement, teacher support of school reform. Many of these inputs have been linked by research to improved student achievement.

The Oregon Quality Education Model states that 90 percent of students attending a school that is based on one of the Model's prototype schools should meet state standards.

Funding Performance

Does money make a difference in student learning? Does increased funding lead to increased student performance? The research to date does not provide a conclusive answer nor does it validate these assumptions.

Review Committee members were divided on this point. Some members believed that given adequate funding, schools would spend the money efficiently and student achievement would improve; the goal of 90 percent of students meeting standards was achievable.

Other members noted that even high spending levels could not guarantee student learning; too much depended on teacher quality, curriculum effectiveness, and a student's background and innate abilities.

Still other members conceded that more funding was likely to increase student performance of some students in some districts, but it was very difficult to predict the degree of this increase or whether the goal of 90 percent of students meeting standards was realistic.

One member voiced concern about accountability issues surrounding the Model, give that the funding level was based on factors the schools were not required to have in place, such as school and class sizes.

Elements & Components of a Quality Education

With these concerns in mind, a workgroup of the committee added components and refined the elements listed in the Model. In addition to class size, professional development, instruction time, and operational support, the workgroup added the following:

- An articulated curriculum, fully aligned with state standards;
- Well-qualified teachers;
- Students prepared to learn at grade level/proficiency level;
- Administrators who focus on effective use of time and resources in the classroom;
- A safe and nurturing environment;
- Flexibility to address students' individual needs and rates of learning;
- Teacher support, including mentoring; and
- Professional development to include interaction with professional organizations.

Suggested modifications or cautions by some members regarding the Model's elements include the following:

- English as a Second Language[2] students could potentially be a higher percentage of student population;
- Assumptions about school facility age and facility maintenance history may be optimistic;
- Large number of teacher and administrator retirements not anticipated in the Model may result in lower student achievement;
- Leadership within school administration is enhanced by classroom teaching experience;
- Teachers should be able to identify their professional development needs;
- Elementary schools should include subject area specialists;
- The middle school and high school class size ratio should be examined to better address individual student needs (perhaps 24:1 or less).
- Additional funding for basic building maintenance and facility improvements should be developed; and
- The impact of transportation costs on school budgets should be added to the Model.

Committee Priorities

When the Review Committee ranked its education priorities at the December 14, 1999 meeting, reduction in class size was the number one priority, with up-to-date textbooks aligned with state standards a close second. Early intervention, remedial classes, counseling, and ensuring additional funds were targeted to classroom needs were also ranked high.

Students Ready To Learn. Educators on the committee stressed how challenging and time consuming some students can be, especially those coming from families who do not, or can not, make their child's academic success a priority. Teachers on the committee felt it was important to acknowledge that student learning was not wholly in their control, but that early intervention and the ability to work with low-performing students could assist many children who are not being helped now.

Class Size. Teachers on the committee voiced their frustration with class sizes too large to meet individual student needs, needs made more complicated by the wide variety of abilities of their students. A group recommended that the Model's class sizes be modified from 20:1 to 15:1 for kindergarten; from 20:1 to 18-20:1 for grades 1-3; from 20:1 to 20-24:1 for grades 4-12; and from 29:1 to 20-24:1 for middle and high schools.

Small Schools. Related to class size, teachers voiced support for smaller schools, where students are made to feel part of a community, and are less likely to be lost and have their needs ignored. Recent research suggests that smaller schools produce higher achieving and better-behaved students.

Teachers & Administrators. Quality teachers and principals were judged to be very important by the Review Committee. Thorough, standards-based preparation of teachers by colleges of education, mentoring, ongoing professional development, and administrators sensitive to classroom needs were all identified by members as being very important. The importance of quality teachers and administrators is especially critical given the large number of retirements and shortages of teachers in some subject areas.

Textbooks & Curriculum. Teachers cited out-of-date textbooks, lack of textbooks, textbooks in poor quality, and textbooks that were not aligned with state standards as a major hurdle in helping students meet state standards.

Remedial Education. Teachers recommended a greater effort be made to assist failing students in each grade, beginning in kindergarten. Early intervention helps students stay engaged with school and helps teachers by ensuring that student skill levels do not vary as drastically as they do now.

Education Governance. Education policy is set by a myriad of entities and may result in policy conflicts. Educators voiced some frustration with the federal government, the legislature, the Department of Education, local school boards, and others for the conflicting messages they send and the perceived lack of input classroom teachers have on those policies.

School Facilities. The Model does not address capital construction needs that currently exist or that would exist if the Model were implemented in school districts. Smaller class sizes and smaller schools have direct impact on school facilities. Some voiced support for a separate funding source for school facilities.

Transportation. The Model does not address transportation costs, and some members on the committee thought that future refinements of the Model should include some examination of the amount reimbursed to districts from the state.

Second Languages. The 21st Century School Act requires that, prior to the end of the 2004-2005 school year, all students who have completed grade 12 must have completed a minimum of two years of second language instruction and must demonstrate a level of proficiency in a second language as determined by the school board. Shortages of qualified teachers, lack of materials and texts, and large class sizes all hamper meeting this goal.

Augenblick and Myers Report

In order to get a national perspective on the Oregon Quality Education Model, the services of school finance consultant John Myers, of Augenblick and Myers (A&M), were contracted. John Myers reviewed the four approaches that have been identified to use in setting school funding levels. They are:

1) The "market basket" or "professional judgement" approach, where a panel of education experts identify the components of an adequate education and their associated costs;
2) The statistical analysis approach where economists use data from districts to correlate acceptable levels of pupil performance with dollar amounts necessary to fund those levels;
3) The "successful schools" approach, where the spending of existing schools that meet the state's performance standards are analyzed; and
4) The specific curriculum approach, where the cost of a curriculum such as the New American Schools, is used to set the funding level.

The Oregon Quality Education Model most closely resembles the "market basket" approach. Mr. Myers made the following observations about Oregon's model:

- Because the OQEM is based on individual schools, rather than a district, a funding formula will need to be developed.
- Funding adjustments will need to be made, given the differences between real schools and prototype schools.
- By funding a *quality* education rather than an adequate one, costs will likely be higher and may compromise local control by usurping their role to define and provide a quality education.

- A 90 percent student success rate per school is more difficult to achieve than a 90 percent statewide success rate.
- It is impossible to determine OQEM's validity without more information on the connection between the cost components and student performance.
- It is unclear whether the OQEM took into account teacher effectiveness.
- Because the OQEM is based on a traditional model of school operations, it may be too rigid to adapt to different models in the future, such as a more technology-based school.
- The role of the state in the OQEM may be overly prescriptive, and leave too little to the discretion of local districts.

A&M Suggestions:

- Set state standards and assessment levels specifically for use in an adequacy model.
- Use one of the other approaches to establishing an adequate funding level.
- Require any approach used to request funding to provide a school district distribution formula.
- Create a school district accountability system with specific school district performance goals, rewards and sanctions.
- Let school districts achieve a quality education through the freedom to determine how teaching and learning takes place.

Chapter Endnotes

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[1] Mapes, Jeff, *Voters See the Sun Shining in Oregon*, The Oregonian, April 12, 1998.
[2] ORS 336.079 directs schools to teach speaking, reading, and writing of the English language to those children who are unable to profit from classes taught in English.

THE HOUSE SPECIAL COMMITTEE ON THE EDUCATION MODEL REVIEW

In April 1999 the Legislative Council on a Quality Education, chaired by Rep. Lynn Lundquist (R- Powell Butte), former Speaker of the Oregon House of Representatives, released a preliminary draft of the Quality Education Model. A final report was released in June of the same year.

> *I hope that we don't only consider the funding issue with the work that you have in front of you, but rather from the broader scope of how we can make our schools better.*
>
> Speaker Lynn Snodgrass to the Education Model Review Committee

The legislature was in session debating the level of K-12 education funding when the preliminary report was released. On March 4, 1999, the Council recommended $5.65 billion[1] to fully implement its outlined components but added that a credible phase-in could be accomplished with $4.95 billion.[2] The $5.65 billion figure was more than $1 billion beyond the $4.55 billion[3] the Governor had planned to spend on education. However, on March 15, Governor Kitzhaber proposed a $4.95 billion school budget.[4]

In January 1999 a citizen's education lobbying group – the Coalition for School Funding Now! – requested $5.3 billion for public education, representing a 22 percent increase from the 1997-99 biennial budget and based on what school districts across the state said they needed.[5] By February 1999 the Coalition had revised its request to $5.1 billion[6] but ultimately expressed support for the Governor's $4.95 billion spending plan in May.[7] The Confederation of Oregon School Administrators estimated that at least $4.76 billion was needed to prevent program cuts and layoffs at most school districts.[8]

Committee Formation

Because the Governor and the education community cited the Model as grounds for a $4.95 billion funding level request, some were concerned about the reliability of the Model, especially in light of other valuable state programs that were competing with schools for funding. House Speaker Lynn Snodgrass named the Education Model Review Committee in March 1999 consisting of teachers and legislators. The committee's primary purpose was to examine the Model's goals, assumptions, prototypes, and data that drive it. Representative Jackie Winters (R – Salem) was named as chair of the committee.

Committee Membership and Process

The Education Model Review Committee consisted of 27 members: 12 state representatives and 15 teachers or former teachers. The committee met eight times,[3] concluding in January 2000.

In addition to discussion among the committee members, the committee enjoyed presentations by Representative Lundquist and members of the Legislative Council on the Oregon Quality Education Model; Stan Bunn, Superintendent of Public Instruction; Joanne Flint, Associate Superintendent, Office of Curriculum, Instruction, and Field Services, Oregon Department of Education; John Myers, Augenblick and Myers, an education finance consultant; and Frank McNamara, Confederation of Oregon School Administrators.

Committee members brought to the discussion a variety of viewpoints and experiences. Rep. Winters determined that it would be most equitable for a final report to reflect the opinions expressed by all the members, without subjecting those views to a vote, as all members had valuable contributions and recommendations.

In addition, given the work plans of the Governor's Quality Education Commission and the Education Leadership Team, Chair Jackie Winters determined that the Review Committee could most effectively impact the work of these other education entities by forwarding her committee's findings to the other committees early in their schedule.

For an objective review of the Model from a school finance point of view, the firm of Augenblick and Myers was contracted. John Myers' report may be found in Part 4 of this document. While the Review Committee discussed Mr. Myers' findings, they did not vote to accept, modify, or reject his findings.

> *I think that Oregon has people that want to be the best at education. I've never seen so many people want something so bad and then not know which direction to take to get it.*
>
> Glen Colangelo

The report that follows is based on topics and opinions expressed during the eight meetings of the Review Committee and should not be interpreted to reflect the views of every member of the committee.

Chapter Endnotes

[1] *The Oregon Quality Education Model*, 1999, p. 48.
[2] Ibid, p. 49.
[3] Governor's Budget, State of Oregon 1999-2001, p. B-8.

[4] *The Budget Battle Chronology*. The Oregonian. March 16, 1999, p. A11, First Edition.
[5] Carter, Steven, The Oregonian. *Education Lobby Asks More Than $5 Billion*. January 23, 1999, Sunrise Edition.
[6] Carter, Steven, *Parents Go To Salem On Behalf of Schools*. The Oregonian. February 15, 1999, Sunrise Edition.
[7] Suo, Steve, *Lobbyists Back Lower Figure for State Schools Budget*. The Oregonian. May 27, 1999, Sunrise Edition.
[8] Carter, Steven, *Republicans Will Huddle on Budget, School Dollars*. The Oregonian. March 2, 1999, p. B01.
[9] Meeting dates were: 3/30/99, 4/13/99, 4/27/99, 5/11/99, 6/8/99, 9/29/99, 12/14/99, 1/24/00.

QUALITY EDUCATION MODEL BASICS

The Legislative Council on the Quality Education Model[1] first met in April 1997 and continued meeting until March 1999 for a total of 17 meetings.[2]

Much of the first year's work revolved around defining a quality education, whether "all" students were to be held to state standards, monitoring and providing feedback in the Database Initiative Project development, information gathering, and general education discussions. Workgroups were created in the following areas: class size, global approach, operational support, duration of instruction, professional development, database development oversight, special education, and regional cost differences.

Legislative Council on the Oregon Quality Education Model
(members at first meeting)

Rep. Lynn Lundquist
Boyd Applegarth
Jack Bierwirth
John Byrne
Tim Carman
Mike Collins
Gary Conkling
Sal Coxe
Rep. Randall Edwards
Stephen Greer
Jonathan Hill
Jim Jamieson
Judy Kamisky
Peggy Lynch
Regina Ortiz-Shepherd
Vern Ryles
Rep. Ken Strobeck
Dale Weight
Gary Withers
Duncan Wyse

The council planned a completion date of November or December 1998, with the hope of having the document available when the legislative session began. The first drafts of the "hypothetical models" were not discussed until the February 3, 1999, meeting and a final report was not available until June 1999, late in the legislative session.

The stated mission of the Legislative Council on the Oregon Quality Education Model was: "to recommend governance and management structures and a finance system for public K-12 education, as well as higher education that intersects with K-12, that will enable students throughout Oregon to reach high academic standards at reasonable, sustainable costs and to identify changes in policy and practice necessary to implement them."[3]

Oregon Quality Education Model Basics

The Model organizes costs associated with schools into *elements* and subcategories of elements called *components*, such as teaching staff, supplies, texts, class size, professional development, and facilities.

In addition, the Model has "tangible" and "intangible" characteristics. Tangible characteristics are those that have a direct relation to costs, such as class size, number and type of special education students, age of school building, and gap

between current student performance and desired level of performance in relation to benchmarks. Intangible characteristics are important but more difficult to price and include such things as principal leadership, parental involvement, and support of school reform among teaching staff.

The Model suggests three "prototype" models: elementary, middle, and high school with characteristics described below.

Prototype Elementary School

- All-day kindergarten
- 20:1 pupil-teacher ratios at all grade levels
- Specialists for areas like art, music, PE, second language and/or counseling at each building's discretion
- On-site instructional improvement/curriculum development support
- Additional time for students having trouble reaching standards
- Professional development time and resources for teachers and support staff to develop skills to enable most students to reach standards
- Resources to reimburse teachers for out-of-pocket expenses necessary to help students reach standards
- Adequate funds for building maintenance so that instructional funds do not have to be diverted to maintenance

Prototype Middle School

- 29:1 class size maximum in core academic courses
- 1.5 extra teachers to provide extra options in math, English, science
- Additional time for students who are having trouble reaching standards including summer school
- One counselor per 250 students
- Adequate professional development resources to allow teachers to develop skills to teach to standards successfully and assess student work reliably
- On-site instructional improvement/curriculum development support
- Volunteer coordinator and community outreach worker
- Adequate campus security
- Alternative programs for special needs students
- Resources to reimburse teachers for out-of-pocket expenses necessary to help students reach standards
- Adequate funds for building maintenance so that instructional funds do not have to be diverted to maintenance

Prototype High School

- 29:1 class size maximum in core academic courses
- 3 extra teachers, one each in math, English, science

- Additional time for students who are having trouble reaching standards including summer school
- One counselor per 250 students
- Adequate professional development resources to allow teachers to develop skills to teach to standards successfully and assess student work reliably
- On-site instructional improvement/curriculum development support
- Volunteer coordinator and community outreach worker
- School-to-work coordinator
- Adequate campus security
- Alternative programs for special needs students
- Resources to reimburse teachers for out-of-pocket expenses necessary to help students reach standards
- Adequate funds for building maintenance so that instructional funds do not have to be diverted to maintenance

In order to develop the prototype schools, certain assumptions needed to be made.

Assumptions of the OQEM Prototype Schools

District size	Large enough to provide full range of central office services
Geographic location	Bordering/in/or in close proximity to an urbanized area
Socioeconomic status	Slightly below the state median
Special education students	Approximately 12 percent
English as a Second Language students	Approximately 5 percent
Facility condition	Approximately 35 years old, in reasonably good condition with reasonably good maintenance history
Quality of teacher force	Moderately open to reform goals; Less than 10 percent teaching outside endorsement area; Nearly all possess content knowledge necessary to teach to applicable state standards
Quality of principal leadership	Moderately supportive of reform goals; Moderately knowledgeable about reform requirements and moderately involved in reform implementation; Moderately skilled

Professional development needed to teach to standard	as a leader: Highly skilled as a manager Substantial in the areas of assessment, adopting instruction to below-standard learners, scoring work samples, specifics of content standards, and curriculum articulation

OQEM SCHOOL CHARACTERISTICS

	ELEMENTARY SCHOOL	MIDDLE SCHOOL	HIGH SCHOOL
Student enrollment	340	500	1000
Teacher experience	14.5 years	14.7 years	15.7 years
Failure rate	approx. 5%	math: 15% English: 15% science: 15%	math: 15% English: 15% science: 15%
Percent of families attending at least 1 parent conference/year	60%	50%	40%
Proportion of time in English and math devoted to standards	66%	50%	math: 85% English: 60%
Hours of homework completed per student per week in subjects for which there is a state assessment	2 hours	4 hours	8 hours
Hours devoted to instruction not covered by state standards in one week	6 hours	8 hours	7-8 hours
Additional time available for students not meeting standard	120 hrs/student	120 hrs/student	120 hrs/student
Students/computer	16.7/1	16.7/1	16.7/1
Percent of classrooms with one or more computers connected to Internet	60%	60%	60%
Dropout rate			6.9%[1]
Attendance	93.5%	93.5%	91.7%
Serious discipline problems/year	3	7	9

Chapter Endnotes

[1] Originally entitled the *Speaker's Education Funding Council*; records filed 4/97 – 11/97 are under this title. The name was changed in anticipation of Senate members joining the council; records indicate that Sen. Hartung attended the December 1997 meeting.

[2] Number does not reflect workgroup meetings. Meeting dates were: 4/16/97; 5/3/97; 6/2/97; 7/27/97; 9/17/97; 10/29/97; 11/19/97; 12/19/97; 1/27/98; 2/24/98; 3/31/98; 5/26/98; 8/4/98; 1/19/99; 2/3/99; 2/17/99; 3/3/99.

[3] *The Oregon Quality Education Model*. p. 29

[4] The state annual dropout rate for 1996-97 is 6.7%; the four-year drop out rate for the class of 1997 is 25.36%.

FUNDING EQUITY & ADEQUACY

Education is perhaps the most important function of state and local governments. . . In these days, it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education. Such an opportunity, where the state has undertaken to provide it, is a right which must be made available to all on equal terms

Brown v. Board of Education of Topeka, Kansas, 347 U.S. 483, 493 (1954)

While school funding garners significant attention from state and local policymakers, educators, parents, and the general public, solutions to the inequities remain elusive. A central problem is how to balance state goals and standards with limited resources, while recognizing the value of local discretion in school decision making. "Local control" in the context of education generally means that communities decide what curriculum is taught and how much money is spent in educating their students. Thus, it is extremely difficult for a state to impose equitable spending patterns while embracing the concept of local autonomy.[1]

> *Many state policymakers resist any suggestion that a more fair and more effective system will be created by spending more or redistributing existing funds because they have little confidence in what is done with funds they provide.* (Educational Adequacy: Building an Adequate School Finance System, National Conference of State Legislatures)

In the past few years lawsuits and tax changes have forced many state leaders to revise or rewrite their school finance systems. Obsolete funding systems often do not address demographic changes, the addition of higher student academic expectations, or education reform initiatives.

Court rulings citing unconstitutional school funding systems, voter-approved initiatives, and a shift to state performance-based assessments have brought school finance issues front and center of many states' legislative agendas. By the end of 1999, only five states had not experienced school funding litigation. Forty-three suits are currently pending.[2]

Historically, when funding K-12 education, a state legislature calculates the amount of money it plans to allocate to schools - usually about the same as last year's budget - subtracts the money it wants to restrict to specific educational purposes, and declare the remainder to be the foundational level of funding.[3]

> *The currently available data suggest that equity at the school district level should be defined by employing three criteria. First, in an equitable system, all school districts within a state are guaranteed an adequate "foundation" level of funding, sufficient for an efficient school system to provide a basic education to all students. Second, the foundation funding level is adjusted for special needs, especially for the number of students in poverty, with disabilities, or with limited English proficiency. Third, local communities have an equal opportunity to increase their school budget by increasing local taxes.* Financing Schools, The Future of Children, Vol. 7, No. 3 – Winter 1997.

Education Equity Issues

Initial lawsuits revolved around the "equity" question: Do students, statewide, receive a comparably fair and equitable education? The heavy reliance on property taxes and the inherent inequity of property-rich districts and poor districts meant that schools were being funded unequally. While there may be other measures of "equity," the per-pupil funding level has generally been the approach used by the courts for comparison purposes, except when states can rationalize spending differing amounts, such as for students who require more resources to educate.

Equity Issues in Oregon

Oregon's school funding system has been challenged based on funding inequities. However, in each case Oregon appellate courts have upheld Oregon's school funding system and have consistently rejected plaintiff's arguments that Oregon's school funding system violates the Oregon and United States Constitutions.

In 1976, plaintiffs argued that Oregon's funding system violated Article VIII, section 3 of the Oregon Constitution, which states that, "(t)he Legislative Assembly shall provide by law for the establishment of a uniform, and general system of Common schools."[4] The Oregon Supreme Court rejected this argument, holding that the state satisfies its obligation if it requires and provides for a minimum of educational opportunities in local school districts and permits the districts to exercise local control over what they desire, and can furnish, over the minimum.[5]

In 1991, the same constitutional provision was the basis for a second challenge of the state's funding system.[6] In this case, plaintiffs argued that this constitutional provision requires the state to provide sufficient funds, without reliance on property tax revenues, to satisfy all state educational requirements. The plaintiffs cited financial disparities between property-rich districts with high assessed property values and relatively low taxes and poor districts that must levy high taxes to raise the same amount of money. The court upheld the school funding system, holding that the "safety net" amendment (Article XI, section 11a) "explicitly directs school districts to meet state standards with

property taxes."[7] The court further stated "the constitution thus recognizes that school districts may have disparate amounts to fund public schools, depending on the amount that voters are willing to pay."[8]

In 1995, plantiffs in *Withers v. State of Oregon*[9] argued that while the school funding formula was fair and equitable, the state had unconstitutionally failed to implement the formula, due to a policy decision by the legislature to phase-in its plan to equalize per-pupil spending. The plaintiffs argued that this resulted in a denial of educational opportunities that violated both the Oregon and U.S. Constitutions. The Oregon Court of Appeals rejected this argument and upheld Oregon's current school funding system, finding that there was a rational basis for the implementation plan, that of balancing the need to avoid harm to students in school districts that historically received higher levels of total funding against funding equalization to benefit students in other districts.[10]

In 1999, the plaintiffs of the *Withers* case again challenged the constitutionality of phasing in equitable funding of secondary schools for 1995 to 1997. *Withers v. State*, 163 Or. App. 298 (1999). The court once again upheld Oregon's school funding system.

The 1999 legislature passed HB 2753 (chapter 1094, Oregon Laws 1999) which allows local school districts to impose additional taxes for schools, if approved by voters. This "local option" was enacted pursuant to section 11(4)(a)(B), Article XI of the Oregon Constitution. It is believed by many that because this additional money is capped at approximately $500 per student it will not incur litigation based on the inequities it will create.

Education Adequacy Issues

Even if a distribution formula is equitable, it can still be inadequate. Equity issues have now given way to "adequacy" issues. Faced with making up the difference with state general funds, states have also begun to ask what are they getting for their money.

Adequacy is emerging as a basis for the establishment and evaluation of state school finance systems as the result of the two major forces. First, the emphasis on standards-based reforms is focusing attention on student learning. Second, policymakers and taxpayers are demanding more accountability of public funding for education.

While the approach may vary, states have begun to define the elements of a proper education, define an "adequate" education, and determine what that would cost.

In *Educational Adequacy: Building an Adequate School Finance System,*[11] "adequacy" is defined as a state school finance system that provides and ensures the use of sufficient funds necessary to develop and maintain the needed capacity to provide every student a reasonable opportunity to accomplish clearly articulated and measurable educational objectives. Recommended are five steps that policy makers use to build an adequate school finance system.

First, *provide clear and measurable educational goals or objectives expected of students as the basis for an adequate school finance system.* Oregon law specifies the goals of K-12 education[12] as well as school characteristics.[13] The State Board of Education quantifies those goals with statewide academic standards.

Second, *identify those conditions and tools (capacity) that enable schools to provide every student a reasonable opportunity to achieve expected education goals or objectives.* Several attempts have been made to do this, the most recent are the components, elements, and prototype schools specified in the Oregon Quality Education Model (OQEM). The OQEM goes further, however, and replaces "reasonable opportunity" with 90 percent of students at each school meeting state standards.

Third, *ensure that sufficient funding is provided to establish and maintain the identified capacity that is essential for schools to provide every student a reasonable opportunity to achieve expected educational goals or objectives.* Again, the OQEM estimates total costs for a system that contains its "tools."

Fourth, *identify and provide sufficient funding for state-level capacity that is necessary to support the establishment and maintenance in all schools of the conditions and tools that are identified as effective and essential to student learning.* Both the Governor, through his Quality Education Commission and the legislature, through its interim committees, are reviewing the OQEM and the $5.65 identified as the funding needed in the 1999-01 biennium to implement it.

Finally, *establish a system of accountability measures that will provide students with (1) comprehensive, accurate, and timely information concerning the use of all public funds for the public education system; (2) the status in every school of those conditions and tools determined to be effective and essential for student learning, and (3) the performance of students relative to expected educational goals or objectives.* Oregon has implemented a number of accountability measures. They include the "Database Initiative Project" that tracks how schools spend dollars.[14] The *Oregon Report Card* assesses schools' progress

toward achieving state goals.[15] Individual schools issue report cards that communicate a school's characteristics and student achievement levels.[16] Statewide assessments measure students' academic performance.[17]

Adequacy Litigation

Adequacy issues in education finance litigation appear to be growing in importance. What constitutes an "adequate" education? The shift from equity to adequacy is being driven by an emerging consensus that high minimum outcomes should be the orienting goal of both education policy and finance. Essentially, an adequacy approach asks: What do we want students to know, and how much does that cost?

Plaintiffs in lawsuits over the adequacy issue have highlighted an inability to update texts, hire teachers with advanced degrees, offer advanced classes, purchase school buses, offer equal special education programs as compared with other school districts, etc., when arguing that their school district was unable to deliver an adequate education.[18]

New York State is being sued by a group that argues that children in poor rural and inner-city school districts who attend over-crowded schools with inadequate supplies and inexperienced, uncertified teachers are not receiving the "sound, basic education" guaranteed by the state constitution and that by developing education standards, those standards must be funded such that students may reach them.[19]

An Alabama circuit court found "the evidence is compelling that many Alabama schools fall below standards of minimal educational adequacy for facilities,

According to *Principals of a Sound State School Finance System*, published by the National Conference of State Legislatures, a sound state school finance system is characterized by a clarity of purpose, internal consistency, comprehensiveness, and is based on five primary principles:

- ✓ Equity: A sound state school finance system provides equity for both students and taxpayers.
- ✓ Efficiency: A sound state school finance system is efficient, making the best possible use of resources. An efficient school finance system also minimizes the cost of state oversight through ease of administration and ease of local school district compliance.
- ✓ Adequacy: A sound state school finance system provides adequate resources to local school districts so that they may achieve state and local education goals and standards.
- ✓ Accountability: A sound state school finance system incorporates fiscal accountability at the state and local levels through generally accepted budgeting, accounting, and auditing procedures. Increasingly, accountability links finance and outcomes as in performance-based budgeting. Accountability also includes collection and maintenance of a state fiscal database for systematic evaluation of the funding system at regular intervals.
- ✓ Stability: A sound state school finance system promotes predictability and stability of education revenues and expenditures over time.

curriculum, staffing, textbooks, supplies and equipment, and transportation."[20]

Following a 1995 ruling that the state's school funding system was unconstitutional, the legislature developed a funding formula that was challenged in 1999. In response, the Wyoming Supreme Court laid out three specific actions the legislature must take in reconstructing a new finance system:

- The legislature must identify the "proper" educational package each Wyoming student is entitled to have;
- The cost of that educational package must be determined; and
- The legislature must take necessary action to fund that package.[21]

Paying for an Adequate Education

Over the years, state policy makers have struggled with how much should be spent on education. This immediately raises the issue of what does an adequate or "core" education cost.

In addition, policymakers are trying to determine what the state should pay for, what should be left to local school districts, and what adjustments should be made for high-cost students and unusual district conditions.

The emergence of high, performance-based academic standards has shifted the focus from providing certain inputs (class size, library resources, instruction time) to determining what resources are necessary for students to reach their academic potential.

> *Many state lawmakers feel hard-pressed to ask taxpayers to invest more to support public education in a climate where there is considerable skepticism about whether the level of funding actually affects student learning.* (Educational Adequacy, National Conference of State Legislatures)

Some states are exploring ways to identify "ideal" spending ranges and efficient practices for certain activities, and then providing incentives for districts to spend within this range. One goal of this process is to save money on non-instruction services in order to direct more dollars to teaching and learning.[22]

Previous Attempts to Determine Education Costs in Oregon

"Boyd Applegarth" Study (1990)

Initiated by the 1987-88 Governor's Commission on School Funding Reform and passage of HB 2132,[23] the study attempted to develop a definition of a "standard education"[24] that would be available to every Oregon student and develop financial data that would support it.

This effort determined that a standard education was comprised of the following:

- Common curriculum goals
- Vocational-Technical education
- Education programs mandated by state or federal law and selected other state requirements presently constituted
- Character education
- Student activities
- International understanding
- Support services necessary to provide a standard education for Oregon students

"Common curriculum goals" included English, mathematics, health, science, physical education, social studies, music, art, personal finance, second languages, and career education.

An attempt to develop a price tag was made using sample school districts' current expenditures and adding student activities and education service district costs. The study suggested $4,164 per student. At that time the state picked up an average of 29 percent of school funding ($600 million). It was estimated that a statewide standard education program would cost in excess of $2 billion a year.

21st Century Schools Act (1991)

HB 3565,[25] encompassing the school reform act known as the 21st Century Schools Act, is notable in that it was *not* an attempt to cost out education.

The bill specifically stated, "nothing in this chapter is intended to be mandated without adequate funding support. Therefore, those features of this chapter which require significant additional funds shall not be implemented statewide until funding is available."[26] It was the belief of then-Superintendent Norma Paulus that many of the reforms could be implemented without additional funds, and little attempt was made to determine reform costs. Despite the lack of additional state dollars, districts throughout the state began implementation. The Department of Education was appropriated $2 million to assist it in implementing the bill's provisions.[27]

Governor's Quality Education Task Force (1996)

In May 1996, Governor Kitzhaber convened a task force to "define the educational system's financial requirements to meet the standards for a quality education as specified in the Oregon Education Act for the 21st Century" and to "analyze the current financial information systems used by primary and secondary education to determine what changes are necessary to link state

financing to student performance."[28] A technical work group comprised of state budget and revenue analysts, Department of Education financial systems experts, private sector accountants, and experts in managing school district financial systems was also created. After working concurrently with then-Speaker Lundquist's committee (*see Speaker's Council on Education Funding*, below), this committee ceased meeting and deferred to that entity.

Governor Kitzhaber's Study Proposal (1997)

On March 17, 1997, Governor Kitzhaber told the House Education Committee that a two-year, $3 million study would help the next legislature make better decisions about school funding. He proposed surveying as many as 25 school districts to discover what education techniques would boost student performance and at what cost. The Governor envisioned a group of five to seven people collecting accounting data from 15 to 25 school districts, looking at the education characteristics in those districts and then correlating them with measurements of student performance.[29] This proposal was not funded. Then-Speaker Lundquist stated through his chief of staff Margie Hunt that he wanted his own study because the legislature is the state entity that actually sets the education budget.[30]

Speaker's Council on Education Funding (1997)

Created in March 1997 Speaker Lundquist's chief of staff Margie Hunt stated that the Council would be made up of parents, teachers, business leaders, and educators. The Council would look at cost accounting, local options for school funding, and the creation of a rainy day fund for schools in periods of economic downturn. It would also develop a model that established the requirements and cost of a basic high quality education.[31] This entity was renamed the Legislative Council on the Quality Education Model and produced the Oregon Quality Education Model.

Chapter Endnotes

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[5] *See Olsen*, 276 Or. at 27.

[6] *Coalition for Equitable School Funding v. State of Oregon*, 311 Or 300 (1991)

[7] *Coalition*, 311 Or. at 300, 309.

[8] *Coalition*, 311 Or. at 310.
[9] *Withers v. State of Oregon*, 133 Or. App. (1995).
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[12] ORS 329.015.
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[21] Whitney, Terry N., *State School Finance Litigation: 1999 Summary and Analysis*, State Legislative Report, Vol. 24, No. 8, December 1999.
[22] *Determining the Cost of a Basic or Core Education*, Education Commission for the States, 1999. http://www.ecs.org/ecs/ecsweb.nsf/3...bfc78287256751007 73f8a?
[23] HB 2132 directed the Oregon Department of Education to "define by rule a basic education program to be available to all elementary and secondary students in the public schools in this state."
[24] "Basic education" was perceived as being too narrow. Department of Education, *Defining a Standard Education for Oregon Students*, Spring, 1990.
[25] Chapter 693, Oregon Laws, 1991.
[26] ORS 329.065.
[27] Joint Committee on Ways and Means, 66th Legislative Assembly, Budget Report, Department of Education.
[28] Kitzhaber, Governor John. News Release. May 1, 1996.
[29] Carter, Steven & Bill Graves. *Kitzhaber Calls for $3 Million School Study*. The Oregonian. March 20, 1997, p. D01.
[30] Ibid.
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LINKING FUNDING WITH PERFORMANCE

The fundamental premise of the OQEM – that a defined number of priced inputs will lead to 90 percent of students meeting state standards – was a controversial one for the House Special Committee on the Educational Model Review (henceforth referred to as the Review Committee).

> *It is foremost a remarkable tool – unique in the nation – that will enable the lawmakers of this state and potentially others to make reliable decisions about the funding of education. And for the first time, that funding can be linked to performance.*
>
> Rep. Lynn Lundquist
> *OQEM, p. 2*

Some committee members argued that it was only logical that inputs such as small class sizes, small schools, teacher professional development, remedial instruction, and adequate facilities would lead to greater student academic performance. Current research exists that link many of the OQEM characteristics to such student improvements.

Other members argued that teaching is fundamentally an interpersonal relationship, with significant differences between teachers, the motivation of students, and the dynamic interaction between the two. It may be impossible to quantify that specified inputs will cause a particular outcome.

> *Our true goal is success for each student. There is no assurance, frankly, that we can guarantee that . . . certain efforts in terms of inputs will have certain outcomes.*
>
> Stan Bunn, Superintendent of Public Instruction and committee witness

Some committee members conceded that while it was likely that certain inputs *would* result in improved student scores, identifying exactly the *degree* scores would improve was uncertain. The Model does not specify how it calculated that 90 percent of students would meet standards by following the Model.

> *I fear that in education we are moving farther and farther from the human element.*
>
> Jennifer Roth

Still other members pointed out that school districts are not required to follow the Model, even if they received adequate funds to implement it. Committee members questioned whether it would be responsible for the state to fund districts at the Model's recommended level and not require that they spend it wisely, in particular, the ways identified by the Model.

Does more money mean higher student academic performance?

The link between education spending and student academic achievement has been debated for nearly 30 years. Early research (1965-1990) into the link between expenditures and student achievement was mixed, but few studies showed a strong relationship between expenditures and education outputs.

Economist Eric Hanushek found that "Good teachers are absolutely essential for improved student performance...providing more money doesn't guarantee better teachers."[1]

Chester Finn, a senior fellow at the Manhattan Institute, a conservative think tank, agrees there is no clear correlation between higher spending and higher achievement, noting that some higher spending districts do better than others, but no clear pattern emerges.[2]

> *(The Model's) weakness, in my perspective, is that it doesn't identify what measurable gain you'll get in the quality education from the dollars spent.*
>
> Charlie Arnest

Later researchers found weaknesses in the methodology of these studies and conducted their own research. Using more sophisticated research methods, researchers Deborah Verstegen and Richard King found a moderate to strong positive relationship between expenditure and student achievement. However, the relationship linking higher expenditures to higher student outcomes hinged on how the money was spent. Increased expenditures mattered where it "bought" smaller class sizes, more experienced teachers, curriculum and technology, and teachers with higher levels of formal education.[3] Tennessee and Wisconsin have studied the effects of reducing class sizes and both saw significant improvements in achievement among minority students, particularly for grades K-3.

> *If you are using a math program that is inefficient, it doesn't matter how much money you put into the program. . .It has nothing to do with money. I think we are talking about two different things.*
>
> Michael Ewers

However, Hanushek wrote as recently as 1998 that 30-year national achievement scores have been flat, even as class size and pupil-teacher ratios have declined.

> *Coming out of a business background, it would be nearly impossible for me to cost out what it is going to entail for me to do business if most of my projections were based on things as interpersonal as a relationship between a teacher and a student.*
>
> Rep. Carl Wilson

A Committee on Education Finance was established under a congressional mandate to the US Department of Education to contract with the National Academy of Sciences for a study of school finance. The question posed to the committee was, *How can education finance systems be designed to ensure that all students achieve high levels of learning and that education funds are raised and used in the most efficient and effective manner possible?*
The Committee on Education Finance noted that education policy is one of the most contentious items on the public policy agenda because it is deeply enmeshed in competing public values, and becomes complicated to act on when it encounters limited knowledge about what efficient solutions are in education, disagreements about what the ends of education should be, and belief that the

educational system should be democratically governed and responsive to a variety of local, state, and national needs and views.[4]

> *I think that we should be able to agree that 100% of kids should have the opportunity for a basic, quality education. Converting that opportunity to how many avail themselves of it will vary dramatically on the preparation the kids come to the school, the education ethic of the community, and so on and so forth.*
> Rep. Jeff Merkley

Making Money Matter, the report issued by the Committee on Education Finance, concluded that money "can and must be made to matter more than in the past if the nation is to reach its ambitious goal of improving achievement for all students" but that solutions were not easy to come by due to conflicting values, varying conditions from place to place, and knowledge about the link between resources and learning is incomplete.[5]

National groups often use the level of funding as a means of assessing the quality of a state's education system. For example, Education Week's *Quality Counts 2000* gave Oregon a D+ for adequacy, a D+ for allocation, and a C+ for equity.[6] *Adequacy* is defined as a specific dollar amount per pupil ($7487 per pupil was the reference point used in 2000). *Allocation* is defined as the percentage of expenditures spent on instruction. *Equity* is defined as equal spending among the state's students.

Outcome: 90% of students meeting state standards

The attainment of the Model's goal of 90 percent of all students meeting state standards provoked a good deal of discussion among Review Committee members.

> *In talking about the 90% goal, one thing to consider is when would we get there. We've heard statistics that show that 3rd graders are doing reasonably well, and the assumption is that as they go on through school, through the 5th grade, 8th grade, and so on, they would be approaching the 90% level, but that would be assuming a long period of time.*
> Rep. Vic Backlund

The OQEM states: "*While the amount of time it will take each school to reach any specified level may vary, the Model assumes all schools will be able to reach the performance goal of 90 percent at benchmark standards, first at third grade, then at succeeding benchmarks as that cohort of students moved through the system. It also assumes that the remaining 10 percent of students are making significant progress to be as near to reaching the standards as possible within that same time frame.*"[7]

> *When you advertise that something is going to be 90%, then you'd better deliver 90% because the perception of the people is that 90% means 9 out of 10, without any asterisks, fine print, or disclaimers in the ad.*
> Rep. Carl Wilson

Many on the Review Committee were concerned that the 90 percent goal would not be immediately obtainable, if it was obtainable at all, and by creating that expectation, the Model might set school districts up for failure.

Others were concerned about the ten percent that did not meet standards. Would that ten percent be perceived by the public as an acceptable failure rate? Would that be used to justify serving those students less adequately?

Terry Whitney, Senior Policy Specialist for the National Conference of State Legislatures, was unaware of any other state identifying a specific outcome based on dollars invested.

> *I still maintain, despite explanations, that tying the implementation of this Model to 90% of students meeting standards is very misleading. When people hear 90%, they don't hear 90% of those tested, or 90% of whatever. They hear 90% are going to meet standards and that is not true. It's misleading and I think that that's unfair to put that in there.*
>
> Linda Verdoorn

States that have been forced to revamp their education systems following litigation have not identified a particular student achievement goal, such as 90 percent meeting standards, as evidence of a sound education system. Generally, courts have been content if states provide students with an environment that gives them a credible "opportunity to learn."

If 90 percent of students meeting standards is too high a goal for the immediate future, when can Oregon expect to see its test scores rise to a high level? Texas, which has made concerted education reform investments in the past decade, has over 77 percent of all students passing all tests taken in 1998. Performance improved 21 percent over the last four years, with minority groups improving as much as 33 percentage points.[8]

Standards, Assessments, and Benchmarks

The Model does not examine the validity of education standards, assessments, or benchmarks. The Review Committee also did not look into this issue in-depth, which is complicated at best.

Education Week reports that every state but Iowa has adopted academic standards in at least some subjects, and 44 have standards in all four core areas. States have also pushed ahead in aligning their test questions to the knowledge and skills written into their standards. The number of states that administer student assessments matched to their standards in at least one subject climbed from 35 in 1997-98 to 41 this school year. The number of states that test whether students are meeting standards in all four of the key academic subjects rose from 17 to 21 during that same period.[9]

> *We're making an assumption here that the measurement of benchmarks is a set deal. I can tell you from my experience that there's a lot of trouble in agreeing whether students are meeting those benchmarks and whether those benchmarks are set correctly. As an example, last year 40% of my 8th grade students passed the 8th grade math benchmarks. This year 29% passed. We didn't do that much differently so something's wrong. To talk about students meeting some level of proficiency, when we have that much discrepancy in the assessments means that before we start making such claims, we'd better make sure that the assessment tools are really in place. That's a real issue.*
>
> Michael Ewers

While states continue to develop education standards, there is a lack of consensus as to what constitutes sound standards. For example, Oregon receives an "A" for its standards from *Education Week*, which drew heavily from the American Federation of Teachers grading of standards. On the other hand, the Thomas B. Fordham Foundation gave Oregon standards an overall grade of "D+", up from its grade of "D" the year before.[10]

It is important for policymakers to bear in mind that standards vary from state to state, and that even within a state standards may change over time, assessments may fail to completely capture student learning, and benchmarks may be re-set. This raises the question of what "90 percent of students meeting standards" really means. For example, Darla Marburger, a legislative staff person for the Texas Senate Education Committee noted, "If 90 percent of Oregon students met state standards, I would think the standards were too low."[11] The reality may be far different, but perceptions will vary.

Other Measurements of Success

Teachers on the Review Committee were generally not opposed to state assessments, per se, but did have concerns that the assessments needed refinement and that the testing process could be improved. Some voiced concern that curricula choices might become more limited, as "teaching to the test" became the norm.

A statement from the Association for Supervision and Curriculum Development seems to reflect these concerns. It reads, in part: "*High standards are important for all students, but often assessments based on standards don't reflect the different ways that students actually learn. Student assessment in the 21st century must use many different approaches to measure and validate teaching and learning and standardized tests are only one such measure. Further, the standards movement must not limit learning by narrowing subject matter nor inhibit creative teaching and learning based on sound research and inquiry. In short, standards must serve as targets for student learning, not as obstacles to student success.*"[12]

Other measurement criteria might include drop out rates, attendance, SAT scores, scores on national tests (such as the National Assessment on Education Progress), curriculum breadth and quality, teacher quality, and student and parent satisfaction.

Why say a figure, (90%) when teachers are saying that it sets up a wrong expectation? I think it is prudent to say to a parent we want to educate your child. I think it's better to use that approach. We ought to be realistic.
Caryl Gertenrich

What happens if schools fail to have 90% of their students meet standards?

The Model does not suggest what should happen to schools that fail to meet the goal of having 90 percent of their students meet benchmarks.

Finally, if a school does not meet a certain level of performance, it does not get funding. That's what comes through to me.
Linda Verdoorn

Education Week[13] reports that although 19 states now identify low-performing schools, there is no agreed-upon strategy for fixing them. Despite threats to impose severe penalties, few states are ready or willing to use them.

I think there is an implicit understanding that if schools do not get to where they need to be, then somebody is going to come in and help them.
Rep. Elaine Hopson

Refinement of the Model

The OQEM states: "The Oregon Quality Education Model is, of course, a work in progress. As it is used, it will be improved and refined in order to become an integral tool in the development of future educational budgets."[14]

The Review Committee did not make specific recommendations as a group as to how to refine the OQEM, as some thought the basic premise was flawed and others found it an excellent product that needed little tinkering, if any at all.

We should at least consider creating a menu of education (choices) and figure out what it will cost to have half-day kindergarten and full day kindergarten and a school could choose what it wants. We may end up giving a school a total budget and allow them to select from the menu what it thinks will be most effective.
Rep. Ron Sunseri

An alternative approach would be to develop 2 or 3 models with different themes. Another approach is to use the single, basic model, but if you believe that classroom size should be smaller, note the cost of reducing class room size by one, or two, or three If our fundamental effort here is to develop a tool that helps us understand what we are buying in this state, and what we could be buying in this state, we can do that without having to render profound philosophical judgements on which many of us have different opinions.
Rep. Jeff Merkley

"The Oregon Quality Education Model"

Some members took issue with the name of the Model.

The original name of the group that took on the challenging task of developing state education funding - *The Speaker's Education Funding Council* – did refer to funding more directly. By the December 1997 meeting, the name had been changed to the *Legislative Council on the Oregon Quality Education Model*, in anticipation of senators joining the council.

> (I would) rename the Model completely, because really what it is is a cost accounting system applied to education.
> Glen Colangelo

Chapter Endnotes

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[6] *Quality Counts 2000: Who Should Teach?* Education Week, January 13, 2000, p. 82.
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[11] per phone call, January 13, 2000.
[12] http://www.ascd.org/today/ascd-summit-statement.html
[13] *Quality Counts 1999: Rewarding Results, Punishing Failure*, Education Week, January 11, 1999, Vol. 18, No. 17, p. 5.
[14] The Oregon Quality Education Model, p. 11

ELEMENTS & COMPONENTS

The OQEM states that an *element* is a set of functions or activities that are important to the school's ability to offer an instruction program, e.g. supplies, books, and materials. Components are subsets of elements, e.g. texts, consumables, equipment, copying, media center materials.

Two workgroups looked at this issue and made suggestions. The degree of support for these suggestions from the entire committee was not identified.

The OQEM identifies the following four components that are important to quality learning: [1]

- class size
- professional development
- instruction time
- operational support

A Review Committee workgroup suggested the following could be added:

- An articulated curriculum, K-12, fully aligned with state standards including textbooks, materials, and supporting assessment technology and the time for teachers to evaluate the students' work;
- Teachers who are prepared to teach (substantive, performance-based initial teacher preparation in college in the subject area), willing to teach, and continue to develop in the areas of subject matter, classroom management, counseling, organization, communication, etc., consistent with the needs of today's students;
- Students prepared to learn at grade level/proficiency level. This implies a remedial component outside of the regular classroom schedule and record keeping regarding refused opportunities for remedial assistance;
- Administrators who, first and foremost, focus every action and effort to impact a more effective use of time and resources in the classroom;
- A safe and nurturing environment;
- Flexibility to address students' individual needs and rates of learning;
- Teacher support, including mentoring; and
- Professional development and encouragement for teachers to communicate and interact within professional organizations that encourage professional development.

Prototype School Elements

The workgroup that examined the prototype school assumptions[2] found them to be reasonable, but added some cautions and suggestions.

- The workgroup suggested the *English as a Second Language* students could potentially be a higher percentage of student population than anticipated by the Model.

- The OQEM's assumptions about the age of *buildings and their maintenance* history may be optimistic.

- The experienced current *teaching force* has contributed to the relative high levels of student achievement; the OQEM does not factor in the impact of large numbers of teacher retirements in the coming decade.

- One additional component of "*quality of principal leadership*" might be to require some recent relevant classroom teaching experience (even on a limited, part-time basis) which would include classroom management, preparation and planning, instructional experience, and assessment (work sample scoring) commitments with the changing diverse demographics in our current classrooms.

- The workgroup recommended adding to the *professional development* assumptions, the additional opportunity for classroom practitioners to be able to identify for themselves their professional needs.

- Elementary school prototypes should be able to employ several subject area specialists.

- The OQEM middle school and high school class size ratio should be examined to better address individual student needs (perhaps 24:1 or less).

- Additional funding (perhaps a separate funding mechanism) for basic building maintenance and facility improvements should be developed and channeled to districts with serious needs on a priority basis.

- A realistic and reasonable assumption about transportation costs and the impact of transportation on general fund budgets should be added to the OQEM.

Chapter Endnotes

[1] *Oregon Quality Education Model*, p. 38.

[2] Ibid., p. 33.

COMMITTEE PRIORITIES

At the December 14, 1999, meeting of the House Special Committee on the Education Model Review, those members present voted for their top three education priorities. Below are the results, ranked in order.

It should be noted that a lack of votes does not indicate that members did not support the idea, just that it did not make their top three priorities.

# Votes	Priority	
13	1	Reduction of the student-teacher ratio K-3: 18-20 students per classroom 4-12: 20-24 students per classroom
12	2	Current textbooks for all students, aligned to the curriculum, including support materials for teachers and help for teachers to use them
9	3	Increases in funding should be directed to classrooms, rather than administrative costs
8	4	Strong counseling programs, with more counselors at all levels
8	5	Literacy classes in math, reading and writing for students who have not met benchmarks at Grades 4, 6, and 9
6	6	Early intervention strategies for preschool children to increase both literacy skills and family/community involvement
5	7	Elementary and Middle schools of no more than 400-500 students; High schools of no more than 1200-1400 students
5	8	Early acquisition of second language, articulated through all levels of school
5	9	Funding to accompany new laws imposing requirements on schools
5	10	Consistency and stability with regard to school reform, rather than constant change from year to year; no "quick fixes"
4	11	All agencies that administer education working together

		for uniform practices and utilize good communication for mutual support
3	12	Early intervention strategies for at-risk students, including on-site preschool programs, parent training programs, and additional professional help for students struggling to keep up with grade level work
3	13	Diversity of programs for kids to maximize opportunities for success and to allow development of many talents (music, drama, art, sports, clubs, etc.)
3	14	Classroom teachers on the majority of commissions that set education standards
2	15	Math specialists for elementary schools
2	16	Ongoing in-service to educate teachers about their role in implementing state standards (training in the new standards & teaching methods to support them)
2	17	Schools should vary student/teacher mix; one formula does not apply in all cases- focus must be on children
2	18	Additional prep period for Middle and High school English teachers for scoring written work samples
1	19	Change the name of the model to "Cost Accounting Application"
1	20	Prep time for teachers to plan together strategies that work (1/2 day release)
1	21	Realistic way of assessing the amount of time teachers put into their jobs
1	22	Assistance with "wild card" situations (autistic children, paroled students)
0	23	Wording of documents in ways that show support for teachers
0	24	Local control as to how standards are to be met

CLASS SIZE

Members of the Review Committee discussed class size often. Class size is a "component" of the OQEM, and is described as "adequate to allow students to master standards and reach specified levels on assessments."[1] The prototype schools have the following class sizes:

The Oregon Quality Education Model

Elementary	20:1 pupil-teacher ratio[2]
Middle School	29:1 class size maximum in core academic courses, with 1.5 additional teachers to provide extra options in math, English, science
High School	29:1 class size maximum in core academic courses, with 3 additional teachers, one in math, English, science

Class size is an important issue to teachers. An American Federation of Teachers poll of K-12 educators asked what reforms would be most effective in addition to education standards. Most frequently named were smaller class sizes (88 percent of teachers).[3] The teachers on the Review Committee also ranked class size as the most critical issue to a quality education.

(My priority is) class size. If I could have just 20 kids, I could do it so much better. I have a friend whose son is in private school, and I think their class size is 18 kids, and the things they are doing in that school are incredible, in part, I think, to the number of kids in the class.

Lisa Martin-Baker

Parents also have shown concern with existing class sizes. In August 1998 a coalition of Portland area parents – the Committee for a Little Class - filed an initiative petition to limit the size of classes. The initiative would have required the state to fund the reduced class sizes limited as follows:

- Grades K-3: no more than 20 students per class
- Grades 4-5: no more than 25 students per class
- Grades 6-12: a school average of below 27 students per class

The sponsor did not pursue the initiative because several legislators had voiced interest in dealing with the issue during the 1999 Legislative Session. Despite a number of bills introduced on the subject, none passed. The initiative is still listed as active on the Secretary of State's web page.

There was concern voiced by some Review Committee members that the class sizes for middle and high schools cited in the OQEM were too high. Smaller class sizes provide educators greater flexibility to address students'

individual needs and rates of learning and might reduce the number of students labeled as learning disabled.

Students also notice the impact of class size. "Teaching techniques did not match learning style" and "lack of personal attention in class" were the third and fourth most cited reasons by students who had dropped out of school.[4]

A Review Committee workgroup proposed the following class sizes:

- Kindergarten: 15 or fewer students
- Grades 1-3: 18-20 students
- Grades 4-12: 20-24 students

In addition to the Model's class size recommendations and the workgroup recommendations, teachers acknowledged that student characteristics affect the need for smaller class sizes. For example, a class of 32 gifted, motivated students might still be preferable to a class of 20 troubled kids with varying degrees of learning disability.

My number one priority would be smaller classes. We're on a block schedule, and a full time English teacher has 190 students. My second period, 10th grade class has 32 students, five of which are on IEPs, one is blind and one is in a wheelchair. Am I able to teach literature to 32 students who read all the way from grade level 5.6 to 14.8? A lot of these kids come to us who haven't met their 8th grade benchmarks or haven't even met their 5th grade benchmark, and we dump them all in a class room; an English teacher has six classes like mine. It doesn't work. The Model says to drop it down to 29. Research says that English teachers should have no more than 125 students. The inspiration is dying because we are buried in paper.

Dianne McKillop

In addition, teachers noted that different subject areas had different class size needs. For instance, core academic areas assessed by the state, such as English, create much paperwork; grading papers and work samples took more teacher time than some other subjects.

In *Keys to a Quality Education*,[5] Oregon school administrators recommended the following class sizes:

- Grades K-3: 20 or fewer
- Grades 4-5: 25 or fewer
- Grades 6-12: an average of 27:1 for the school

For the 50 percent of students who need additional assistance to meet standards, school administrators recommended class sizes of 15-17. For Alternative Learning Centers, where students require a personalized education plan, class sizes of 10-15 are recommended.

Do Smaller Class Sizes Make a Difference?

Research as to the benefits of small classes has been contradictory. Initial findings found no correlation between small class sizes and academic performance. Other factors, such as professional development for teachers appeared to be more important in raising academic performance.

However, more recent studies say smaller classes are beneficial. The question for policy makers will be whether the benefits outweigh the costs, as reducing school size is one of the costliest of all school reforms.

Wenglinsky Study

In 1997, Harold Wenglinsky (Educational Testing Service) published research findings concerning the relationship between class size and student achievement based on his analysis of data drawn from three national databases. Based on an analysis of data on fourth graders in 203 school districts and eighth graders in 182 school districts across the US, Wenglinsky found that class size did make a difference.

At the fourth grade level, lower student-teacher ratios were found to be positively related to higher mathematics achievement. At the eighth grade level, lower student-teacher ratios improved the school environment, which in turn, led to higher achievement.

I see class size as being an extraordinary issue. I think often about the students that aren't meeting benchmarks and could use some extra help. If I was able, as a teacher, to spend a little more extra time with the students in the classroom instead of the 28 or 29, I think I could make an extraordinary difference. But it has to be a significant change, it can't be just 25 or 24, it's got to be 20.

Marty Bronstein

Indiana Study

Beginning in 1984, Indiana's Prime Time project reduced class sizes to 18 in kindergarten through third grades. Implementation of the study was not controlled and results were mixed. Comparing reading and math scores of first and second grade students in the project with students in large class sizes of the prior year, improved scores for students in the smaller classrooms were found, with the greatest improvements in reading and smaller gains in math.

Tennessee STAR Project

The Tennessee Experience: The Tennessee Student/Teacher Achievement Ratio (STAR) project is the single most definitive class size study.

Beginning in 1985, the Tennessee Department of Education randomly assigned kindergarten and first grade students to small classes (about 13-17 students), regular classes (about 22-25 students), and regular classes with

an instructional aide. Once assigned to small classes, students remained in them.

The study's findings:

- ✓ On average, students attending small classes in K-3 achieved scores substantially higher than students in regular classes.
- ✓ The positive achievement effect of smaller classes on minority students was double that for majority students initially, and then was about the same.
- ✓ There was no significant difference in academic achievement for students in the larger classes with or without an additional instructional aide.
- ✓ When children were returned to larger sized classes in the fourth grade, students still outperformed students that had been in larger classes and were better behaved.
- ✓ Achievement gains from small size Tennessee classes have lasted through at least eighth grade.

Beginning in 1990, the state phased in smaller classes at the K-3 level in the poorest districts. These districts moved from near the bottom of school district performance in Tennessee to near the middle in both reading and mathematics for second grade.

Wisconsin SAGE Program

Beginning in the 1996-97 school year, Wisconsin began a class size reduction program called the Student Achievement Guarantee in Education (SAGE) Program. Its objective was to phase in class size reduction in K-3 grades in poor school districts. The program also included other reform measures. Participating schools were also required to implement a rigorous academic curriculum, provide before and after school activities for students, and implement professional development and accountability programs.

The study found:

- ✓ Teachers were better able to direct instruction on a more individualized basis.
- ✓ Between October 1996 and May 1997, the increase in first grade student test scores in SAGE schools exceeded by 12-14 percent the increase in scores for students in a comparison group of schools with regular size classes.
- ✓ In SAGE classrooms, the total scores achieved by African-American males on three tests increased by over 40 percent more than scores achieved by African-American male in a comparison group.

- ✓ After controlling for individual differences among students (e.g., race, subsidized lunch eligibility, days absent), SAGE students enjoyed significantly greater improvements in test scores in reading, language arts, and math.[6]

Studies suggest that reducing class size is most effective when:

- ✓ Classes are reduced to between 15 and 19 students. (Little impact has been demonstrated in class sizes of 20 to 40);
- ✓ Particular schools are targeted, especially those with low-achieving and low-income students;
- ✓ Teachers are provided ongoing, high-quality professional development to make the most of the smaller class size conditions;
- ✓ Teachers are well qualified and a challenging curriculum is used for every student.[7]

Federal Efforts

President Clinton proposed to reduce elementary class sizes to an average of 18 students in grades K-3 and spend $12 billion over seven years to hire 100,000 teachers to achieve desired class sizes. Oregon received its share of federal money in 1999, totaling $11.6 million per year.[8]

Other States' Class Size Reduction Efforts

As of June 1999, 20 states had implemented some sort of class size reduction effort on either a voluntary or mandated basis. These states were: Alabama, California, Florida, Illinois, Indiana, Iowa, Louisiana, Maine, Maryland, North Carolina, Nevada, Oklahoma, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, and Wisconsin.

All states targeted grades K-3. Oklahoma also targets grades 4-6. California also targets grade 4.[9]

Oregon Legislative Proposals

Many measures have been proposed to reduce class size. None have passed.

SB 102-A (1999) Directed school districts to adopt a policy that targets 20 students as the maximum number of students per class in kindergarten through grade three. Federal class size reduction funds would be used to match local dollars to reduce class sizes, for a total of $23.2 million slated to reduce class sizes. Districts that already had small class sizes could have used the funds for costs associated with smaller class size, including professional development.

SB 447 (1999) Directed school districts to adopt a policy establishing a maximum of 20 students per class in grades K-3. Allowed districts to waive the policy if it had a compelling reason to do so.

SB 706 (1999) Established maximum class sizes for grades K-3 of 20, for grades 4-5 a maximum of 25, and for grades 6-12 a maximum average size of 27.

HB 2009 (1999) Allowed Department of Education to award grants (amount not specified) to school districts to hire additional teachers to reduce class sizes.

HB 3155 (1999) Allowed Department of Education to award grants to school districts to reduce class sizes using lottery funds.

HB 3479 (1999) Required Department of Education to conduct reviews involving size of classes in public schools.

HB 3562 (1999) Prescribed limit on amounts that may be distributed to school districts as grants for state education projects. Limits grants for next two biennia to state education projects that reduce class size.

Cost of Reducing Class Sizes

It is difficult to estimate the cost of reducing existing class sizes. Most existing school buildings cannot accommodate reduced class sizes without additional classroom space. Additional space could be created through the use of portable classrooms, remodeling existing schools, or building new schools.

The OQEM calculations are likely to under-represent the costs of implementing its recommended class sizes as the Model does not include capital costs that would inevitably arise.

Teacher cost: $124,000,000

The Confederation of School Administrators (COSA) attempted to cost out their class size recommendations in 1998. From an undated COSA memo based on inquiries made in February 1998, the following class size reduction cost estimates for additional *teachers* needed on an annual basis, were as follows:

Grade	K 20 or fewer	1-3 20 or fewer	4-5 25 or fewer	6-12 ave. 27:1	Total
# teachers	299	1,458	447	944	3148
teacher cost	$11.8 m	$57.4 m	$17.6 m	$37.2 m	$124.0 m

Portable Classroom Cost: $99,408,000

The cost of construction, furnishings, and maintenance is a more difficult number to calculate. COSA survey respondents estimated that 2,280 new classrooms would be needed. Costs vary depending on the method used. If every district could use a portable, single classroom without plumbing (cost: $43,600) to meet its need, then 2,280 additional rooms would cost $99,408,000.

Construction Cost: $672,174,121

Using square footage recommendations from the Council of Education Facility Planners International and information from local districts, the COSA survey reports a cost of $668,184,121 for construction and a furniture and equipment cost of $3,900,000, for a total of $672,174,121.

Not calculated were costs associated with buying land, maintenance, utilities, or administrator salaries.

Chapter Endnotes

[1] *Oregon Quality Education Model*, p. 38.

[2] *Pupil-teacher ratio* is different than *class size*: a class size of 60 students with two teachers would have a pupil-teacher ratio of 30:1.

[3] *Here to Stay: Standards Based Reform Is Not Just Another Fad – It's Alive, Well and Living In the Classroom.* American Teacher, December 1999-January 2000. http://www.aft.org/publications/american_teacher/dec99jan00/heretostay.html

[4] *Dropout Rate in Oregon High Schools, State Summary Report 1997-1998.* Oregon Department of Education, March, 1999. http://www.ode.state.or.us/stats/students/dr9798/pdf

[5] Oregon Association of School Executives School Funding Coalition. *Keys to a Quality Education*, p. 12.

[6] Molnar, Alex, *Smaller Classes, Not Vouchers, Increase Student Achievement.* The Keystone Research Center, 1998.

[7] Education Commission for the States, *State Class Size Reduction Measures*, June 1999. http://www.ecs.org/ecs/ecsweb.nsf/3826b96034ede7e7872565c50063d6cc/ad62c117f4b6872565c50075ccc7?Open Document

[8] U.S. Department of Education. *Class-size reduction program.* http://www.ed.gov/offices/OESE/ClassSize

[9] Education Commission for the States, *State Class Size Reduction Measures*, June 1999.

TEXTBOOKS & CURRICULUM

Textbook Purchasing

Teachers on the Review Committee were concerned about the quantity and quality of the textbooks and other instructional materials available to them and their students as well as curriculum that is not yet aligned with statewide standards.

Teachers cited that textbooks and materials were out-of-date, the limited number of texts prohibited students from removing books from the classroom, the books were in poor physical condition, and books were not aligned with state standards and assessments. Districts have stated that they cannot purchase new texts due to budgetary restraints.

> *This week our English department got turned down trying to buy a new novel they thought was important. The administration said we don't have the money and that's just the way it is. Trying to meet the standards was why we wanted to buy the novel.*
>
> Andy Pate

In Oregon, textbook purchasing is the responsibility of the local school district. The Department of Education approves texts for use in Oregon schools on a six-year cycle, but school districts may adopt and use textbooks not on the state list. According to Joanne Flint, Associate Superintendent, Office of Curriculum, Instruction and Field Services, Oregon Department of Education, current textbooks on the state lists do align with state standards. Districts who have not been able to purchase textbooks recently may have texts that do not mesh well with state standards.

Legislative Action

HB 2806 (1997) was passed by the legislature at the request of a Bend English teacher and allowed school districts to charge students for supplemental textbooks. The teacher who requested the legislation wanted students to be able to buy class paperback books, and then perhaps resell them in a school store. It is not known if any districts have used this law.

Text Purchasing and the Oregon Quality Education Model

The OQEM does include instructional materials in its costing, without specifying what these materials should be. All three levels of prototype schools include "on-site instructional improvement/curriculum development support" and "resources to reimburse teachers for out-of-pocket expenses necessary to help students reach standard."[1]

Curriculum

A poll[2] of American Federation of Teachers (AFT) K-12 teachers nationwide was recently commissioned by the nonprofit Albert Shanker Institute. The poll indicated that curricula alignment is a key condition of effective standards-based reform. Among teachers who report their schools have closely aligned curricula and standards, almost three-quarters say standards have had a positive effect. Among teachers who indicate that alignment is missing, only 56 percent report that standards have yielded a positive effect.[3]

> *My second priority would be current textbooks aligned with the curriculum. Textbooks we don't have. We just did get a classroom set of writing handbooks. The students may not check these out; we have none of these in the library. Until this year we had absolutely nothing in terms of writing, except what teachers created. Is that adequate for writing? No. We have sophomore teachers using five different textbooks. We pulled these old textbooks out of storerooms so we have books to check out. This is the first time this year we've been able to check books out.*
>
> Dianne McKillop

According to the Association for Supervision and Curriculum Development (ACSD), curriculum should be standards-based, integrated, and flexible. It should be grounded in authentic experiences meaningful to learners and should emphasize problem solving, reasoning, conceptualization, and analysis.[4]

Curriculum in Oregon

In Oregon, no statewide curriculum is in place. Local districts and individual teachers are free to adopt the curriculum they judge best fits the needs of their students. Generally, this decision remains within the realm of educators but occasionally disagreements become public. For example, when the Portland Public Schools adopted a new math curriculum some parents and educators objected.

> *I'm not seeing the word, "articulation," or how we are developing programs that dovetail into one another, whether it's music, foreign language, history, science. . .how is a class related to everything else?*
>
> Pat Moss

Statewide, the Department of Education's Office of Curriculum, Instruction and Field Services, develops common curriculum goals and academic content standards for kindergarten through grade 12. It provides curriculum support in reading, writing, mathematics, science, the social sciences (history, civics, geography and economics), the arts, and second languages. It also provides technical assistance and other resources to educators implementing the Certificate of Initial Mastery (CIM), developing and revising district improvement plans, applying for and implementing professional development grants, and applying for state and federal waivers. Staff also provides assistance regarding comprehensive school reform programs, instructional materials, alternative education and alternative learning opportunities, charter schools and private schools. The Department does not provide model curriculum that aligns with state standards.

> *The Model doesn't address articulation. The reason it didn't, is because in Oregon curriculum is a local issue. It was not appropriate to step into an arena where state policy, at this point, does not have authority. Certainly it's an element, if we were to try to refine this further, that we would want to think about. I believe we are going to have to come to grips with this lack of addressing, of being able to talk about curriculum. We talk about content standards and assessments, and then pretend as if we don't have to talk about curriculum. Every other standards-based system in the world talks about the curriculum you have to have.*
>
> Dave Conley, consultant, Oregon Quality Education Model

Chapter Endnotes

[1] *Oregon Quality Education Model*, p. 40-41.

[2] The Peter D. Hart Research Associates survey included responses from a representative national sample of 1,075 K-12 teachers who are AFT members. Also surveyed were more than 800 principals in four states.

[3] American Federation of Teachers, AFL-CIO, *Here To Stay: Standards-Based Reform Is Not Just Another Fad – It's Alive, Well and Living In the Classroom*, American Teacher, Dec. 1999/January 2000.

[4] Kalbus, Joanna and Gene Carter, *When the talk dies down, time for action*, Association for Supervision and Curriculum Development, http://www.ascd.org/today/ascd-summit-statement.html

TEACHERS & ADMINISTRATORS

A majority of the Review Committee members are educators and former educators. The OQEM does not discuss in depth the role of teachers in education. It was difficult for Review Committee members to ignore the importance of teachers and administrators in providing a quality education.

While the hiring of teachers will remain a local decision, state policy makers, along with the Teacher Standards and Practices Commission (TSPC), are involved in setting teacher standards and, perhaps more importantly, creating an environment that promotes and supports teachers.

The Importance of Quality Teachers

After spending 17 years trying to determine what promotes and inhibits student learning, William Sanders, professor and director of Tennessee Value Added Research and Assessment Center says, "It's not the grades, it's not poverty, it's not the money that counts, it's teaching."[1]

A study by Linda Darling-Hammond found that measures of teacher preparation and certification are by far the strongest correlates of student achievement in reading and mathematics, both before and after controlling for student poverty and language status.[2]

Sanders' research indicates that students with comparable achievement levels have "vastly different academic outcomes as a result of the sequence of teachers to which they are assigned."[3] Similar studies in Boston and Dallas confirm the Tennessee findings.

Additionally, these studies reinforce what traditionally has been common wisdom: students learn more from well-prepared, quality teachers. This is true regardless of socioeconomic status, ethnicity, a student's level of preparedness or whether the student's school is located in an urban or rural area. Research has shown that well-trained teachers have a positive impact on student achievement, while poorly trained teachers have a negative impact. If a student has a good teacher for consecutive years, the impact of the good teaching is compounded every year a student is exposed to such teaching. Schools with less effective teachers tend to produce lower-achieving students.[4]

The National Commission on Teaching and America's Future (NCTAF) released *What Matters Most: Teaching for America's Future* in September 1996.[5] This document made a number of recommendations for improving the quality of

teaching and policies that affect teachers, including aligning performance-based standards for teacher preparation, licensure, and professional development; mentoring new teachers; recruiting teachers in high-need subject areas; and rewarding teacher knowledge and skills.

Teacher Training

School reforms affected teaching practices and have implications for teacher preparation. Work began in Oregon in January 1994 to align teacher preparation and licensure with K-12 education. The TSPC reviewed subject matter and specialty endorsements needed at all developmental levels. The TSPC also focused on preparation and licensure for school counselors and administrators. These efforts led to redesign of the licensure program within the TSPC.

> *Some student teachers are from programs that seem to be in tune with what's going on in schools and others from programs that are not in tune at all.*
>
> Dianne McKillop

Prospective teachers must now produce work samples that document that students actually learn what the teacher intended. Prior to a license being issued, prospective teachers must now document their accomplishments in:

- ✓ Planning instruction appropriate for the developmental level;
- ✓ Establishing classroom climate conducive to learning;
- ✓ Engaging students in planned learning activities;
- ✓ Evaluating, acting upon and reporting student progress; and
- ✓ Exhibiting professional behavior. [6]

In addition, Oregon has received a U.S. Department of Education grant funded by the Title II Teacher Quality Enhancement Program. This program, the Oregon Quality Assurance in Teaching Program, will be managed by the Oregon University System. It will focus on improving teacher preparation, including the establishment of statewide accountability guidelines for higher education institutions that prepare teachers, first-time report cards for new teacher candidates, and aligning prospective teacher assessments with state K-12 standards.

Mentoring

The workgroup who examined the components of OQEM included teacher mentoring as an important component to keep qualified people in the teaching profession.

> *We had mentoring at our school, and that week before school was the best time, because it was the least frenzied time and you're setting a framework for the rest of the year.*
>
> Pat Moss

A national survey of those who left teaching showed that 49 percent cited

either job dissatisfaction or the desire to pursue another career. This supports earlier estimates that as many as 30 percent of new teachers quit within their first five years.[7] A North Carolina study shows that 40-50 percent leave by the end of the fifth year if they have not been mentored.[8] Research indicates that between 70 and 80 percent of new teachers who have received mentoring are still in the district after five years.

After the third year, over 50% of the new teachers have dropped out. Studies have shown that mentoring will maintain a much higher teacher retention. That would be a very good investment for successful teachers.
Rep. Vic Backlund

Oregon law provides for teacher mentoring. Schools may apply to the grant program and receive up to $3,000 per eligible teacher. First established in 1987, the program has not been funded for the last three biennia.

Legislation was proposed by the Superintendent of Public Instruction during the 1999 Regular Session (SB 366) to fund the mentoring program and expand it to include school administrators. Cost for the program was estimated to be $8 million for the grants, and approximately $580,000 for ODE administration per biennium.[9] The measure did not pass.

First-year teachers at Gresham-Barlow were mentored by experienced teachers and it seemed to be very helpful.
Tiffany Pate

In 1998, The Oregon Department of Education used Goals 2000 money to fund a beginning teacher mentor pilot program. As of March 1999, 18 districts were participating, working with 223 mentor/protégé teams in 110 schools statewide.

Continuing Professional Development

Districts vary in how they deal with professional development. Generally professional development occurs during the school year. Some districts may use "in-service" days and teachers are required to attend programs on these days. These are generally covered under the teacher-district contract.

(A priority is) professional development for teachers and administrators. Since this is all based on kids meeting these higher standards, I think it is really important to have that piece in place. . . I think it's really important that there's more consistency in professional development for teachers and we have some money there.
Lisa Martin-Baker

Effective January 2002, Oregon law[10] requires licensed teachers and school administrators to accrue continuing professional development credits to renew their license (valid for five years). Districts will review each teacher's continuing professional development plans.

Federal grants for professional development have ranged from $900,000 to $5 million. Currently, $4 million in federal funds are available on a limited basis

for teacher professional development in the subject areas of mathematics, reading, science, social sciences, the arts, and second languages. Grants up to $1,000 per teacher will be awarded. In requesting grant monies, districts must specify how the funds will be used.

Districts are free to use state school fund monies for professional development but are not required to do so.

School Administrators

"Principal leadership" is an important intangible identified by the OQEM. For example, a tangible example of the importance of principals is Ruby Price, principal at Highland Elementary school in Salem. Under her leadership, she has been credited with increasing parental involvement and increasing the percentage of third graders meeting reading benchmarks from 19 percent to 80 percent in just two years.[11]

Bill Korach, the Lake Oswego Schools Superintendent, teaches one class a term, and I think that is a tremendous way for him to keep in touch with what is going on.
Andy Pate

School administrators are licensed by the TSPC. The workgroup examining the components of a OQEM suggested adding language to describe good administrators as those who, "first and foremost, focus every action and effort to impact a more effective use of time and resources in the classroom."

Shortages/Retirements

While Oregon is not experiencing a teacher shortage currently, retirements make a future shortage possible. TSPC records indicate that there are 76,000 teachers in Oregon. 34,000 are employed in Oregon public schools; over 1900 are employed in Oregon private schools; and about 5,000 work as substitute teachers. Oregon schools of education produce about 1500 teachers per year, and about the same number of out-of-state teachers apply for an initial teacher license in Oregon.

I don't know how many people are aware of the changing demographics of our teaching group, but there are an extraordinarily large number of experienced teachers that will be leaving the profession in the next 5 to 10 years. And it's going to have a dramatic impact, not just in Oregon but across the nation.
Marty Bronstein

However, there are shortages in particular endorsement areas. The TSPC has identified teacher shortages in the following areas: special education, advanced mathematics, physical science, school counselor, school psychologist, administrator, and superintendent. Others areas of concern are technology,

professional-technical, Spanish, bilingual education, speech pathology, chemistry, and physics.[12]

The Oregon Department of Education reported to a 1999 legislative committee that over 12,000 public school teachers would be eligible for retirement in the next five years, representing 40 percent of the existing teacher workforce. This will result in districts hiring over 2,000 new teachers each year for five years just to replace retiring teachers.[13] Projected growth increases will boost this number to 2,400 new teachers in each of the next five years.

> *My teachers are talking about getting out because we cannot manage seeing over 190 students a day.*
> Diane McKillop

In certain specialty areas the problems may be even greater. Of the certified mathematics teachers in Oregon, only 12 percent are under the age of 30 and 42 percent will retire within the next five years.

The federally funded Oregon Quality Assurance in Teaching Program will also address teacher shortages. The program will look at new recruitment strategies and alternative pathways to teaching that address populations underserved through traditional teacher preparation programs.

Retirements among administrators are estimated to occur at an even higher rate. Of the 198 school districts, 45 districts will be replacing their superintendents for the 1999-00 school year.[14]

Chapter Endnotes

[1] *Quality Teachers for the 21st Century, 1999*, Education Commission of the States, http://www.ecs.org/ecs/ecsweb.nsf/3826b96034ede7e7872565c50063d6cc/ac62c1171f4b62fd6872565c50075ccc7?OpenDocument.

[2] Darling-Hammond, Linda, *Teacher Quality and Student Achievement: A Review of State Policy Evidence*, Education Policy Analysis Archives, Vol. 8 No. 1, January 1, 2000.

[3] *Quality Teachers for the 21st Century, 1999*, Education Commission of the States.

[4] Excerpted from *Quality Teachers for the 21st Century*, a report published by the Education Commission of the States in 1999.

[5] *What Matters Most: Teaching for America's Future*, National Commission on Teaching and America's Future, September 1996, http://www.tc.columbia.edu/~teachcomm/what.htm

[6] *Preparing Quality Educators for the 21st Century Schools*, January 1999, Teacher Standards and Practices Commission.

[7] Archer, Jeff, *New Teachers Abandon Field At High Rate*, Education Weekly, March 17, 1999.

[8] *Educator Supply and Demand Through 2010*, September, 1999 update, Teacher Standards & Practices Commission.

[9] Bender, Steve. *Fiscal Analysis of Proposed Legislation, SB 366*. Legislative Fiscal Office. March 12, 1999.
[10] ORS 342.138
[11] Haynes, Dana. *Changes Breed Success*. Statesman-Journal, November 21, 1999.
[12] *Educator Supply and Demand Through 2010*. September, 1999 update. Teacher Standards & Practices Commission.
[13] Flint, Joanne, Oregon Department of Education. *Testimony before the Senate Education Committee on SB 366*. March 12, 1999
[14] Ibid.

STUDENTS READY TO LEARN

Teachers on the Review Committee stressed that many students do not come to school ready to learn and point to disruptive and unsupportive family environments.

> *I'm not only an educator, but a counselor, a nurse, a mother, a dietician.*
> Lisa Martin-Baker

Some of the teachers voiced frustration that a student's academic success is viewed solely as a product of a teacher's effectiveness, and such steps as tying teacher pay with student performance fails to consider a student's larger environment. Also, lifelong impacts a teacher may have on a child are not necessarily measured by test scores and should also be considered by policymakers.

> *It feels like teachers are being held accountable to make up the slack for all of society's woes. Kids need to be educated, but we are going at it with a high pressure, high stress, meet-the-standards (approach), when kids are coming to school not feeling loved and fed.*
> Jennifer Roth

According to the National Longitudinal Study on Adolescent Health, a strong parent/family connection protected children against such risky behaviors as sex, drug use, psychopathology, and violence.[1]

In addition, over 1,000 studies indicate that media violence can lead to aggressive behavior in children, and that heavy viewers tend to be more pessimistic, overweight, less imaginative, less sympathetic, and less capable students.[2]

Many Oregon students have hurdles to academic success, unrelated to school:

- 31 Oregon teens and preteens committed suicide; another 736 were reported to have attempted suicide;[3]
- 31,456 reports of child abuse or neglect were reported (1998), an increase of 12.3 percent from 1997;
- In 1998, 6 children died from abuse; 11 died from causes related to neglect;
- 12.42% students are eligible for special education;[4]
- 17% of children live in poverty;[5]
- 15 of 1000 pregnancies occur in women aged 10-17 (1997);
- An Oregon high school-aged youth is fatally shot about once every 10-11 days, either intentionally or unintentionally;[6]
- During the 1997 school year, 19,000 Oregon high school students are estimated to have carried weapons to school; 30,000 to school or elsewhere;[7]

- 16% percent of elementary and middle school students switched schools during the year; 25% of high school students switched. Some schools see a 50% turnover;[8]
- Portland Public Schools reports its students speak 62 different languages (1999-00);
- 123,400 children witnessed domestic violence their households in 1998; 81,000 witnessed domestic violence at least once a month;
- Oregon ranked only 40 out of 50 for best places to raise children;[9]
- 9.82% of children lack health insurance (1998);[10]
- 27% of children are not immunized by age two;[11]
- 46 percent of high school students reported drinking alcohol the previous month;[12] and
- 23 percent of Oregon high school students smoked cigarettes.[13]

Most of my kids are coming from homes with grandparents, a single parent – it's amazing. So you've got a lot of intangibles there that are working. If you're saying that if we give schools this amount of money we'll get 90% of kids passing those tests, I have to sit and laugh. You're never going to do it. I only have those kids 10% out of their lives. With the parents they have, and the lifestyle they have, it's going to be very hard to change their minds to want to learn.
Tom Gentry

According to a report issued by Children First for Oregon, financed by the Annie E. Casey Foundation, an estimated 25 percent of Oregon's approximately 350,000 children younger than eight years are at risk and live in turbulent homes characterized by poverty, domestic violence, neglect, or parents with little education.[14]

Prekindergarten

Oregon's pre-kindergarten program is operated in coordination with the federal Head Start program. Head Start is a national program that provides comprehensive developmental services for America's low-income, pre-school children (ages three to five) and social services for their families. Specific services for children focus on education, socio-emotional development, physical and mental health, and nutrition.

The Model doesn't include preschool and that omission appears to be a gaping hole, as though public policy says that preschool really isn't a need.
Rep. Jackie Winters

State law provides that, "by 1999, funding for programs shall be available for 50 percent of children eligible for Oregon prekindergarten programs, and, by 2004, full funding for programs shall be available for all eligible children."[15]

When this law was first passed in 1991, the goals were 50 percent by 1996 and 100 percent by 1998,[16] but dates have been pushed back by legislative action.

Kindergarten

Review Committee members were supportive of kindergarten, and were generally pleased that the Model factored in kindergarten, although there was not consensus as to whether all-day kindergarten was always beneficial to all children.

Since 1991, school districts have been required to provide free kindergarten to children five years old (ORS 336.095, ORS 327.106). The state school funding formula grants school districts funding for a half-day program (ORS 327.006).

School Counselors

Review Committee members voiced support for the Model's inclusion of school counselors, with a ratio of 250 students per counselor in middle and high schools.

According to the Oregon Department of Education,[17] there are 1,218 guidance personnel in Oregon schools, and a total student enrollment of 545,033, producing a student-counselor ratio of roughly 447:1. The number of licensed counselors has generally been declining – in 1992, there were 1312 counselors, compared with 1218 in 1998.

Prospective school counselors with two years teaching experience are asked to complete a 200-hour counseling-practicum and assemble a portfolio. Prospective school counselors who do not have two years teaching experience are required to complete a 200-hour teaching practicum, a 600-hour counseling practicum, prove they can foster learning through a work sample, and assemble a portfolio.

> *My one main priority is counselors in the schools. There is no mention (of counselors) at the elementary level and this is just crucial because teachers are counselors. Kids are getting sicker and society is showing so many more problems than we used to have, and earlier. If we don't deal with these at the school level, we're going to deal with them some time down the road.*
>
> Donna Hamer

Child development specialists are approved by both the TSPC and the Department of Education. Child Development Specialists have been limited to working in elementary schools,[18] and primarily provide prevention services to students and their families as well as identify student developmental problems.

Of the 268 Child Development Specialists currently employed, 63 percent hold master's degrees and four percent hold doctorate degrees. Most of the master's degrees are in social work, degrees that emphasize interpersonal/social skills and referrals to social service programs.[19]

The Review Committee did not specifically discuss Child Development Specialists.

Other Approaches

Tom Gentry, a member of the Review Committee, voiced support for state policies that were more supportive of families and suggested tax incentives for parents of high achieving students or for families with a parent who stayed at home. Mr. Gentry also suggested that children be tested prior to kindergarten admission and, if there were deficits, intervention and assistance be given, before the student experiences failure.

Chapter Endnotes

[1] *Weapons and Oregon Teens*, Oregon Department of Human Services, Health Division, October 1999, p. 42.
[2] Ibid., p. 45.
[3] Ibid., p. 28. Unless otherwise noted, data is derived from a 1997 survey.
[4] Oregon Department of Education.
[5] Children's Rights Council, *Top Ten States to Raise a Child* press release, July 27, 1999.
[6] Oregon Department of Human Services, Health Division, *Weapons and Oregon Teens: What is the Risk?* 1999, p. 11.
[7] Ibid., p. 11.
[8] Har, Janie, *Risk of failure follows those who are always the new kids in school*, The Oregonian, December 19, 1999.
[9] Children's Rights Council, *Top Ten States to Raise a Child* press release, July 27, 1999.
[10] The Office for Oregon Health Plan Policy & Research web page, http://www.ohppr.state.or.us/faq/povest.htm
[11] Children's Rights Council, *Top Ten States to Raise a Child* press release, July 27, 1999.
[12] *Weapons and Oregon Teens*., p. 29.
[13] Ibid., p. 29.
[14] Har, Janie, *Study urges early nurturing of children*, The Oregonian, January 26, 2000.
[15] ORS, Chapter 329.160.
[16] section 18, chapter 693, Oregon Laws 1991.
[17] http://www.ode.state.or.us/stats/staff/staffhist.PDF; http://www.ode.state.or.us/stats/factfig.htm
[18] HB 3186 (1999) was enacted into law and allows child development specialists to work in high schools, at least through 2001. The 2001 Legislature is expected to examine whether the experiment was successful and whether to continue it.
[19] Perkins, Don, Oregon Department of Education, testimony before Senate Education Committee, HB 3186, May 19, 1999.

REMEDIAL EDUCATION

Many on the Review Committee expressed support for the remedial education programs built into the prototype schools, noting that learning disabled students and non-English speaking students were of particular concern.

Given high state standards and varying student abilities, there will always be some that fall below the minimum standards in spite of the best efforts of the school and students. It has been suggested that school policies should recognize individual differences and make provisions for those students who cannot initially pass the test.[1]

> *I'd like to see money there for remediation.*
>
> Darrell Trussell

According to *When Students Don't Succeed: Shedding Light on Grade Retention*,[2] early intervention should be emphasized. Catching problems when they first appear can negate later problems. Options include varying instructional approaches, one-on-one guidance, implementing an outreach class to assist lagging students, tutoring, and alternative education choices.

The Oregon Quality Education Model (OQEM) directs that the "duration of instruction time (be) adequate to allow those students who need more time to master the standards the opportunity to do so."[3]

> *Another thing for students who are not doing so well is remediation, which I think would be summer school rather than after school. That could be a powerful impact. With those schools who are not doing so well, with the Database Initiative, you could compare with what is working at the good schools and what the schools who are not doing so well and what they are doing, and maybe by having some objective comparisons. There would be some reasonable assumptions that would perhaps improve the schools who are not doing so well.*
>
> Rep. Vic Backlund

The OQEM does not prescribe what the remedial education program should look like, but factors in summer school, Saturdays, and after-school programs to identify costs. The OQEM allows for an additional 120 hours of instruction per student in elementary, middle, and high school for those students not meeting standards.[4]

State Law

The Oregon Educational Act for the 21st Century makes indirect reference to remediation for students who are not meeting standards: *"The State of Oregon believes that all students can learn and should be held to rigorous academic content standards and expected to succeed."*[5] And, *"the specific objectives of this chapter and ORS 329.905 to 329.975 are . . . to establish alternative learning*

environments and services for students who experience difficulties in achieving state or local academic standards."[6]

Funding

According to the American Federation of Teachers' 1996 report, "*Making Standards Matter,*"[7] only ten states require and fund intervention programs to help low-performing students reach the state standards. Eight additional states require intervention but provide no funds for that purpose.

Even if fully implemented, the Model acknowledges its remedial program will not serve all students who need it. It notes for elementary students - although the same caveat could reasonably be attached to middle and high schools - "summer school and extra time will be focused on students with most need and motivation, not available to all students."[8]

A phase-in of instructional time is also included in the Model. For elementary students, the phase-in retains the summer school, but eliminates Saturday school, after-school, and tutoring programs. For middle school students, the phase-in consists of retaining summer school, but halving the cost of Saturday school and after-school programs (but not the number of students served). For high school students, the phase-in consists of retaining summer school, but reducing the cost of Saturday school and after-school programs by more than half (but not the number of students served).

Dianne McKillop, McNary High School English teacher, recommended remedial literacy classes in math, reading, and writing for students who enter grade 4, 6, and 9 who have not met the previous benchmark requirements in these areas. These remedial classes would be in addition to the student's regular classes in these areas.

Remedial Education Need

Department of Education Assessment scores[9] indicate students are making progress in meeting the state's rigorous standards. However, current test scores indicate that the failure rate is higher than the Model's. If a school district wishes to assist all students who are not meeting standards sooner, rather than phase in assistance, a greater remedial effort will be needed than that described in the Model.

Grade level/subject	Model failure rate	Actual failure rate[10]
Elementary		
3rd graders: reading/literature	5%	19%
3rd graders: mathematics	5%	30%
5th graders: reading/literature	5%	31%
5th graders: mathematics	5%	44%
Middle school		
Reading/literature:	15%	44% (8th graders)
Mathematics:	15%	48% (8th graders)
Science:	10%	not implemented yet
High school		
Reading/literature:	15%	48% (10th graders)
Mathematics:	15%	64% (10th graders)
Science:	10%	not implemented yet

Chapter Endnotes

[1] Education Commission for the States, *When Students Get Behind*. December 1997. http://www.ecs.org/ecs/ecsweb.nsf/e...95e37b872565d2007805e0?OpenDocument

[2] Fager, Jennifer & Rae Richen. *When Students Don't Succeed: Shedding Light on Grade Retention*. Northwest Regional Educational Laboratory. July 1999. p. 15.

[3] Ibid., p. 7, p. 40.

[4] *Oregon Quality Education Model*, p. 34.

[5] ORS 329.035(1).

[6] ORS 329.035(4)(c).

[7] American Federation of Teachers, *Making Standards Matter*. November 1999. http://www.aft.org/edissues/standards99/toc.htm

[8] *Oregon Quality Education Model*, p. 51.

[9] http://www.ode.state.or.us/asmt/results/1999/highlts.htm

[10] Ibid.

SMALL SCHOOLS

The Education Model Review Committee discussed the value of small schools, such as those described in the Model's prototype schools.

Since World War II, the number of schools in the U.S. has declined 70 percent, while the average size grew fivefold. More than one in four secondary schools nationwide enroll over 1,000 students, and enrollments of 2,000 and 3,000 are not uncommon.

However, recent research indicates that larger is not necessarily better. Studies from the late 1980s and early 1990s established that small schools are more productive and effective than large ones. A higher percentage of students, particularly disadvantaged students, are successful when they are part of smaller, more intimate learning communities.[1]

Quality Education Model School Sizes	
Elementary schools	340
Middle schools	500
High schools	1000

If a child feels a teacher has time for them, they develop a sense that the school community cares about them; that's one of the biggest lacks, and my second biggest priority is smaller schools.

Caryl Gertenrich

Some researchers believe that no secondary school should serve more than 1,000 students, and elementary schools should not exceed 300-400 students[2] and that, ideally, high schools should have between 600 and 900 students.[3] School size is especially important for the most disadvantaged students.

In Oregon, 70 high schools enroll more than 1,000 students; five schools enroll more than 2,000 students. The biggest, Westview High School in Beaverton, has an enrollment of 2,323.[4]

Oregon School Sizes[5]

	Total # of schools	# larger than OQEM size	% over OQEM size	Total # of students	# students in bigger schools	% of students in bigger schools
Elementary (340)	742	396	53%	259,339	190,321	73.4%
Middle (500)	197	108	55%	107,868	77,103	71.5%
High (1000)	198	70	35%	157,425	106,029	67.4%

Research[6] has shown that students from smaller schools enjoy a number of benefits:

- Better attendance rates, and that when students move from large schools to smaller ones their attendance improves;
- Lower dropout rates;
- Research has found a strong negative relationship linking students' academic accomplishment and school size: the larger the school, the lower the students' achievement levels;
- Student attitudes are better in small schools, including both personal and academic self-concepts;
- Students in small schools experience a much greater sense of belonging and a higher quality of interpersonal relations;
- Smaller schools have fewer discipline problems; and
- Students in smaller schools are more likely to be involved in extracurricular activities and to hold positions of responsibility in those activities.

Although it is assumed that large schools provide richer curricula than small schools, studies show that this is not necessarily true; many small schools maintain programs that are comparable in quality to curricula of larger schools.

> *Schools are too big, and they are constantly growing, with the addition of new developments.*
>
> Andy Pate

Administrator and teacher attitudes toward work indicate that large schools appear to promote negative teacher perceptions of school administration and low staff morale. In small schools, teachers are more likely to participate in planning and analyze teaching practices, and are likely to expend extra efforts to ensure that the students achieve and the school succeeds.

> *Even if a kid comes from a dysfunctional background, if they've got a teacher, or a school, that's small enough, about 500 students, those kids know that somebody cares about them.*
>
> Caryl Certenrich

Smaller schools are easier to restructure with reform strategies, and may serve as models for successful change. Small schools are often credited with innovations such as multiage classrooms, peer tutoring, and individualized instruction.

A 1996 study[7] by researchers found that large schools are actually more expensive because their sheer size requires more administrative support. In smaller schools, students feel a closer connection with adults, making them less likely to fall through the cracks.

Data indicate that the smaller the school, the fewer incidents of violence, vandalism, and rudeness.

In a 1997 Hudson Institute study of charter schools, 53 percent of parents cited small school size as the reason they chose a charter school for their child. It was the most frequent response, ahead of higher standards, education philosophy, greater parental involvement, and better teachers. Parents are more likely to form alliances with teachers who know their child and care about his or her progress.

Chapter Endnotes

[1] Howley, Craig, *Ongoing Dilemmas of School Size: A Short Story*, ERIC Clearinghouse on Rural Education and Small Schools, December 1996. Howley (1994) reports evidence that students in high socioeconomic status communities perform better in larger schools. Small size seems to benefit minority and low-income students more than middle- and upper-class students.

[2] Prescriptions for size vary. Some researchers cite 400 students, while others conclude that high school students learn best when enrollment is between 600 and 900. A joint policy statement issued by the Carnegie Foundation and the National Association of Secondary School Principals recommended that high schools break into units of no more than 600 students. Howley (1996) suggests that school size might vary from place to place, with small schools emphasized in impoverished areas.

[3] Lee, Valerie and Julia Smith, *High School Size: Which Works Best and for Whom?* Educational Evaluation and Policy Analysis. Fall 1997, vol. 19, no. 3, pp. 205-227.

[4] Oregon Department of Education 1999-00 enrollment figures.

5 The Oregon Quality Education Model prototype schools enroll 340 students in elementary schools; 500 in middle schools, and 1000 in high schools.

[6] Cotton, Kathleen, *Affective and Social Benefits of Small-Scale Schooling*, ERIC Clearinghouse on Rural Education and Small Schools, December 1996.

[7] Ibid.

SECOND LANGUAGES

The Review Committee membership included Pat Moss, a foreign language teacher who identified issues in second language instruction and made recommendations.

State Law

The 21st Century Schools Act, revised in 1995, requires second language instruction, stating, in part, that *"prior to the end of the 2001-2002 school year, all students who have completed grade 12 shall have completed a minimum of two years of second language instruction and shall demonstrate a level of proficiency in a second language as determined by the school board."*[1]

Due to the lack of second language teachers, an attempt was made to repeal this law in 1999. Instead, the legislature amended it, by delaying the date by which students must have completed two years of instruction to the 2004-2005 school year in order to receive a Certificate of Initial Mastery (CIM).

In order to meet this timeline, school districts will need to take several steps prior to the 2002-03 school year. Districts must develop local assessments to measure student progress in meeting the state second language standards, and should begin no later than the 2001-02 school year to provide students feedback on their performance before the CIM assessment. Assessments must be supported by district course offerings and curriculum.

Oregon Department of Education Study[2]

At its May 20, 1999 meeting, the State Board of Education directed the Oregon Department of Education to study the capacity of school districts to implement the requirements for second languages. In attempting to determine how many second language teachers are available, the study found 1,060 teachers with a second language endorsement who are not currently teaching second languages in an Oregon public school. It is not known what percentage of these teachers would be available to teach a second language.

Teacher Shortages

In 1999, a number of school administrators reported to the Department of Education that they were unable to find qualified language teachers. However, second language teachers reported they had difficulty finding positions. In response, the Confederation of Oregon School Administrators established a central web site for language teaching positions.

The Department of Education's study concluded that 71 percent of school districts have an adequate number of staff to provide two years of high school second language instruction in at least one second language.[3]

According to a November 1999 study, there are 12,097 students currently enrolled in second language classes in the Oregon University System, and 1,035 of these students are in graduate level classes.[4]

Competent teachers. That's a real problem in foreign languages now. We have a real lack of competent foreign language teachers in this state. Schools are finding that they don't have people out there to hire that can get students to the level they have to reach for the CIM and the PASS.

Pat Moss

Teacher Training

Teacher preparation was recommended to include majoring in a foreign language, experience abroad, and being able to function at an advanced level as defined by the American Confederation of Foreign Language Teachers.

Once licensed, there needs to be support and encouragement to actively participate in professional foreign language organizations.

The Oregon Department of Education study stated that the training of language teachers is shifting from an emphasis on literary analysis and academic research toward communicative proficiency, adding that better communication between schools of education and language departments will enhance the preparation of effective language teachers.[5] The concern that language teachers lack oral proficiency training is being addressed at the Eisenhower-sponsored, joint Oregon University System/ODE Second Language Summit on April 11, 2000.

Student Proficiency

Student proficiency is determined by the local board, using standards developed by the State Board of Education. In many districts proficiency is not tested until the 10th grade, which may pose problems if districts implement language programs in elementary schools, or if students are not exposed to a foreign language until relatively late in their schooling.

The Oregon Department of Education study noted that local districts establish their own student performance standards, but it is assumed that most districts will select a Level III or Level IV (the latter required for admission to the Oregon University System after 2005) as a CIM standard.[6]

The two-year requirement may not align with the 2005 college entrance requirements. The Proficiency-based Admission Standards System (PASS) will require a proficiency that is minimally reached after three to four years on a

traditional class schedule (Level IV), according to Ms. Moss, not two years. The Oregon Department of Education concluded that two years of second language instruction in high school should allow most students to reach benchmark level II or III proficiency.[7]

Materials

A lack of texts and workbooks was cited. Each student needs his or her own workbook. In addition, audio tapes, transparencies, flash cards, videos, headsets, language laboratories, dictionaries – all are lacking in many second language classrooms.

Instruction Time

Foreign language teachers need smaller classes than those recommended by the Model, a size of 12-15 is recommended by Ms. Moss, and that time should be focused and uninterrupted, and use courses that are sequential and articulated.

Chapter Endnotes

[1] ORS 329.487.
[2] *Statewide Capacity Study Certificate of Initial Mastery Second Language Requirements*, Oregon Department of Education, Office of Curriculum, Instruction and Field Services, February 2000, p.4.
[3] Ibid., p. 12.
[4] Ibid., p. 8.
[5] Ibid., p. 7.
[6] Ibid., p. 6.
[7] Ibid., p. 12.

EDUCATION GOVERNANCE

I believe that if students in Oregon are going to have a quality education, then the agencies that administer that education need to work together, need to buy into whatever model or idea. This means the legislature, the Department of Education, the Teacher Standards and Practices Commission. When different ideas come down the track and they are at odds with one another, we have to deal with it. That costs time and that costs money. For example, if the model says the curriculum is a local issue, and all of these agencies are buying into the model, then the legislature will not be spending its time discussing whether or not we are going to teach the Irish Potato Famine. If the TSPC is going to be responsible for teacher standards, and every agency is buying into that, then there will not be a discussion in the legislature over whether charter schools will have certified teachers or not. if this is the standard, then this is the standard.

Linda Verdoorn

Education policy comes from a variety of directions, fueled by research, training, personal experience, and personal philosophy. While most agree that the goal is to educate students, not everyone agrees on what students should know, the best method to transmit knowledge, or what education goals should take priority. Teachers, the Oregon Department of Education, school boards, the State Board of Education, teacher unions, superintendents, principals, the legislature, the federal government, school site councils, the Teacher Standards and Practices Commission, parents, students, teacher colleges, all influence Oregon's education system, with varying degrees of consensus.

In January 1998 the Education Commission of the States (ECS) began work examining K-12 public education governance to provide better information to policymakers and improve governance. It identified two trends that have dominated education reform: the push to establish high standards and use them to improve student performance and strengthen accountability, and the push to decentralize decision-making, shift greater authority and responsibility to the individual school.

The State Department (of Education) needs to develop a clearinghouse of best practices that can be shared at the same time that this Model is implemented. As a result of the charter school law, districts are going to be more open at what other districts are doing in a lot of areas.

Rep. Bill Morrisette

The ECS called on states and districts to convene state, district, school, and community leaders to explore the commission's options and define specific steps toward improving K-12 public education governance (see below).

Passage of SB 100 (1999),[1] which allows public charter schools to be established, highlights the school governance issue. Charter schools, by definition, are free from many of the rules that govern other public schools.

Decisions that may have been made on a state or district level, may now be made on a school level. Whether this development complicates or clarifies who should be doing what will be one of many policy developments legislators and educators will be looking at in the coming years.

My priority is local control over money, and I appreciate that in the Model. I'm a new member of my site council ... I felt very frustrated because we have over $4000 - which is a enormous amount for our school - but it has to be for staff development. We're trying to really focus on writing goals right now, and the third grades really want a thesaurus and it sounds like a simple thing, but the rooms don't have a thesaurus. We have this money but we can't use it and that's really frustrating.

Tiffany Pate

The Local School Board

By law and tradition, the local district school board is elected and empowered to decide the breadth and quality of education the students within its boundaries receive. The board contracts with its employees the services that will be delivered and the negotiated price of those services. Communities elect their board members to four-year terms. Board member services are uncompensated, but their expenses may be reimbursed. The only requirement prospective board members must meet is that they must live in their district for the prior year.

The Legislature

The legislative role in K-12 education is in flux. When school districts were largely funded through local property taxes, local independent decision making was more easily justified. If a board was not responsive to community concerns, members would not be re-elected. It was the school board's constituent tax money that was at stake.

We now have a 90-member super school board. A comment was made by one of the senators, 'Well, we're paying for it, we're going to say how it works.' I'm just saying that we have quite a few dictates or mandates – I see this as part of the future. It's something to be extremely concerned about because it may be difficult to even put the Quality Education Model into practice.

Rep. Judy Uherbelau

Now the state, through its 90-member legislature, funds an average 70% of a district's budget. It is not unexpected that the funding entity wants to give direction in how that money is to be used.

In addition to funding concerns are programmatic ones. When a parent, or less often, a teacher or student, disagree with the decisions of their local school board, they may appeal to their legislator and attempt to pass a state law reversing or modifying this decision. Or, they may bypass their local board and go straight to the legislature with their recommendation.

This tension and struggle between legislatures and school boards for control is happening across the country as more states take on the burden of funding schools. While "local control" continues to be valued, state standards and assessments, state funding dependence, and controversial decisions on the part of volunteer school boards pressure a shift to more state dominance, for better or worse.

STATUTORY MANDATES
workgroup recommendations

- Legislative fiscal impact estimates should consider the impact on school districts as well as state agencies.
- Mandates should be funded.
- Mandate impacts are not addressed by the Model and should be considered.
- Sunset dates should be included on mandates, so that the mandates are periodically reviewed.

In the recent sessions, the legislature has considered many subjects historically thought to be within a school board's purview. To name a few, the legislature has considered the following:

- Changing school district boundaries;
- Adding curriculum requirements such as Oregon history, physical education, parenting classes, drug abuse courses, gun safety, ethics, phonics, traffic safety, multi-culturism, the Irish potato famine, life management skills, martial arts, particulars of environmental classes, particulars of sex education, as well as require community service for graduation;
- Setting class size limits;
- Requiring school uniforms;
- Lengthening the school year;
- Capping teacher salaries and determining how teachers are to be evaluated;
- Broadening school choice through charter schools, private schools, home schools, and institutions of higher education;
- Prohibiting the banning of military recruiters at high schools; and
- Drug testing of students and school personnel.

The Superintendent of Public Instruction

Oregon is one of 15[2] states that elects its Superintendent of Public Instruction, rather than appoints. From a policy standpoint, this creates a potential conflict. The Department of Education takes direction from a Governor-appointed State Board. If the Governor and Superintendent have different priorities or ideologies, conflicting policy direction is a possible result. Several unsuccessful legislative proposals have been made in the past ten years to make the superintendent an appointed position.

The State Board of Education

The State Board establishes policy for the administration and operation of the public elementary and secondary schools and public community colleges.[3] It carries out this directive through the adoption of state standards and rules, prescription of required or minimum courses of study, and application and disbursement of federal funds.

> *Teachers don't believe the department is responsive to their concerns. It seems like a real lack of communication from the top down.*
> Rep. Judy Uherbelau

Teachers

Teachers actually implement policy directed by the above groups. If the teacher doesn't believe that what is being asked is sound, or even reasonable, the policy is unlikely to be implemented at all or implemented in the way intended. Teachers, who work directly with students, are obvious choices to assist in policy implementation with their feedback as to what works, and what doesn't.

Parents and parent groups

Parents have wide-ranging interests and goals, ranging from individual student concerns to concerns about class size and district curriculum. Many districts have parent-teacher clubs and educational foundations that help raise money for their district schools.

The Oregon Department of Education (ODE)

The ODE functions under the direction and control of the State Board of Education[4] and exercises all administrative functions of the state relating to supervision, management, and control of schools and community colleges. The staff of the ODE draft state standards, student assessment tools, and administrative rules for the State Board to consider. ODE also releases state and federal funds to schools and school districts, identifies effective teaching practices, assists schools with complying with the requirements under the 21st Century Schools Act, and monitors schools for compliance of other state and federal regulations.

Workgroup suggestions for The Department Of Education

- Needs to be a clearinghouse for information
- Needs to send consistent messages
- Needs to help schools articulate standards and curriculum
- Needs to inform public regarding the costs of a quality education
- A model curriculum to meet benchmarks is desirable
- Department needs to get feedback from teachers
- Department needs to be better funded
- Department needs to communicate directly (newsletter) over the Internet for all to see – not filtered through districts
- Value and impact of assessments needs to be examined
- Funding does not seem to be reaching the classroom
- Increased oversight of Department of Education product
- Greater responsiveness to teachers concerns

The Business Community

Groups like the Association of Oregon Industries and the Oregon Business Council have been active in education issues in the legislative arena and have introduced proposals they thought would improve the education system.

The Federal Government

Through unfunded mandates, such as the Individuals with Disabilities Education Act that requires disabled students to be educated by their local school district, the federal government is a significant entity in school governance. Funds that had been spent elsewhere in the classroom are often shifted toward unfunded federally mandated programs.

> *Departments of Education, historically, have focused on maintenance of programs and various kinds of accountability. In the last decade, departments of education around the country have been asked to move from that end of the role to running large scale assessment programs, large scale improvement programs, assisting school districts, providing leadership around educational change and reform, developing whole new programs about the transition from school to work. What this results in are structures that are not consistent with the tests and the challenges that they face, and the results you get, is you get inefficiencies, you get errors, and you get what I believe to be a lack of responsiveness to the needs of the client. In this case clients are teachers, clients are students and their parents.*
>
> Dave Conley, witness and OQEM consultant

Suggested Model of School Governance

The Education Commission of the States National Commission on Governing America's Schools[5] created the following suggested framework for school governance.

The *state* should create a context for schools and districts to excel. The ECS recommends the state:

- Promote high expectations;
- Establish academic standards;
- Provide adequate financial resources to districts;
- Manage education information and reporting systems;
- Develop the state's K-12 public education infrastructure;
- Hold districts accountable for student performance; and
- Align education codes with the demands of performance-based accountability.

The *school district* should create an environment that allows schools to focus on teaching and learning. The ECS recommends the district:

- Create a vision for the district;
- Establish district-wide standards and strategically align resources and policies to support them;
- Monitor, analyze and report school performance;

- Provide instructional leadership;
- Create incentives for progress and consequences for failure for all decisionmakers in the district, as well as for students;
- Give parents the right to choose any public school in the district; and
- Engage parents and the community, and partners with public and private organizations.

The *school* creates an environment focused on teaching and learning and is held accountable for results. The ECS recommends the individual school:

- Develop, implement, and continuously fine-tune plans for improving student learning;
- Hire, evaluate, and fire teachers and other school personnel;
- Write its own budget and receive funding on a weighted per-pupil basis;
- Raise private revenue (up to a limit);
- Allocate resources as it sees fit;
- Determine staffing patterns and class sizes;
- Determine employees' salaries; and
- Purchase services from the district or from outside providers.

Chapter Endnotes

[1] Chapter 200, Oregon Laws 1999. SB 100 has been codified as ORS Chapter 338.
[2] The Council of State Governments, *The Book of the States*, 1998-1999, Volume 32, p. 36.
[3] ORS 326.011.
[4] ORS 326.111.
[5] Education Commission of the States, *Governing America's Schools: Changing the Rules*, November 1999.

SCHOOL FACILITIES

Authors of the Oregon Quality Education Model recognize that the Model does not attempt to analyze the need and cost to construct new schools in order to implement its recommended school improvement measures such as reducing class size, nor does it calculate the maintenance and repair costs of existing schools.[1] These recommended school improvement measures, if implemented, will significantly impact the cost of a quality education as defined by the OQEM.

A school is the heart of a community and should be a resource for all to use. I believe that such access would increase parental involvement and make better use of buildings during non-school hours.

Chair Jackie Winters

Reduced Class Sizes

In the Confederation of Oregon School Administrators (COSA) document, *Keys to a Quality Education*[2] it is estimated that to reduce the existing Oregon student-teacher ratio of 22:1, by just one student, to 21:1, would cost an additional $54.5 million more for just the additional teachers.

A major deficit in the Model, as it is currently constructed, is its failure to recognize that many of the policy options that we are exploring . . . have capital costs. And they aren't just capital costs for space. Increasingly they are becoming capital costs for equipment. Our failure to recognize that we are trying to change paradigms - just looking at the operational costs doesn't do justice to anybody.

Gary Conkling, witness and OQEM Council member

In a related study,[3] COSA attempted to estimate the cost of additional classroom space to implement the class sizes[4] recommended in *Keys to a Quality Education*. A COSA survey of school districts found a need for 2,280 new classrooms. If portables were used at a cost of $43,600 each, then a cost of $99,408,000 would be incurred. If new buildings were constructed, a low-end estimate of $672,174,121 was calculated. COSA also noted that costs related to land acquisition, operating costs, and planning issues would also have to be addressed.

Reduced School Size

Many schools in Oregon exceed the school size reflected in the OQEM. For instance, 70 high schools enroll more than the assumed 1,000 students in the prototype and five schools enroll more than 2,000 students. The biggest, Westview High School in Beaverton, has an enrollment of 2,323.[5] If one were to simply split these large schools in half and build an additional 70 high schools, the costs could be $3 billion or higher.[6]

Age and Condition of Schools

The OQEM prototype school facility is "approximately 35 years old, in reasonably good condition with reasonably good maintenance history."[7] The

OQEM authors acknowledge that cost adjustments will need to be made depending on the actual condition of each school. Nancy Heligman, Director of School Finance, Oregon Department of Education, reports that Database Initiative Project pilot district information indicates the average age for a pilot district school is 48 years old and school facility conditions are not known.

School Facilities Nationally

The physical condition of schools is declining nationwide. A 1995 General Accounting Office (GAO) report estimated that $112 billion was needed at that time to meet the nation's needs for repairing or upgrading its schools. Student enrollment shifts, both growth and decline, have triggered a need for new school buildings or have caused existing facilities to be used inefficiently.[8]

President Clinton's proposed FY2001 budget includes $24.8 billion in tax credit bonds over two years to modernize up to 6,000 schools. He also proposes a $1.3 billion loan and grant program to fund renovation projects in high-poverty, high-need districts with little or no capacity to fund repairs. Under President Clinton's proposal Oregon would receive tax credits to support $191 million in school modernization.

Federal policy changes also create facilities-related problems. For example, the Individuals with Disabilities in Education Act requires that school buildings be safe as well as accessible to students with special needs. State and federal governments, however, have made few or no funds available to help school districts meet these requirements. As a result, a school's operating and program funds have been used to make buildings accessible and asbestos free.

According to the GAO, much of the declining physical condition of schools can be attributed to school and district practice of deferring maintenance due to a lack of funds. Deferring maintenance usually only increases the costs. If the current trend continues, the GAO estimates a need for repairs exceeding $150 billion by the turn of the century.

According to David Honeyman, Association of School Business Officials, nearly 30 percent of all school buildings in this country are approaching the end of their useful life, reached at approximately 50 years.[9]

President Clinton's FY2001 budget includes funds for school renovations.[10]

Oregon Schools

While legislators and the Department of Education do not currently have access to information about the condition of school facilities, Oregon has begun collecting limited data on school facilities through the Database Initiative Project (DBI). Created by the passage of HB 3636 (1995), the DBI directs the Department of Education to develop a budget and accounting system for school districts and education service districts that allows for valid comparisons of

expenditures among schools and among districts. The DBI asks the following about districts:

- What is the age of buildings by district?
- What is the date of the last major remodel by building by district?
- What is the building square footage by building by district?
- What is the number of students per instructional computer by school?
- What is the number of Internet connections per school?
- What is the number of classrooms by school?
- Are facilities available for distance learning in a school?
- What is the grade range for each school?
- What are the bond levy election results by district?

Proposed Oregon Legislation

A 1999 bill to formally survey the state's school facilities, SB 1299, failed to receive a hearing in the Joint Ways & Means Committee.

> *There's a second category of capital costs that are also not recognized by the Model at this stage. That is, following Ballot Measure 5, then 50, there's a category of capital items that schools can no longer bond for. They must now come out of regular operating expenses. These are further expenses that compete against teachers, textbooks, supplies.*
>
> Gary Conkling, witness and OQEM Council member

SB 105 (1999) sought to create an "Education Facility Enhancement Fund" to pay a portion of the cost of school district capital construction. The bill failed to receive a hearing in the Joint Ways & Means Committee.

Legislative attempts to allow system development charges to be used for school construction have failed.[11]

Proposed Oregon Initiatives

Two statewide initiatives have been filed with the Secretary of State's office that would allow communities to collect systems development charges to pay for school land and construction necessary to keep up with growth. A system development charge is a fee imposed by a governmental unit for specified purposes and must be used only for capital improvements.[12] One initiative adds schools to the list of facilities that are necessary to serve new homes, and thus, subject to charges. It limits the fees to what is necessary to serve the residential development from which the fees are collected, but does not specify the fee. The second initiative caps the fee at $3,000 per home or townhouse and $2,000 per apartment unit. The fee would be considered part of the purchase price and would be collected at the time a residential unit is occupied for the first time.[13]

Funding School Construction: Local Control

Historically, local districts have been responsible for building their own schools, generally through the use of bonds. Oregon law allows schools to contract bonded indebtedness for any of the following purposes:

- To acquire, construct, reconstruct, improve, repair, equip or furnish a school building or school buildings or additions thereto;
- To fund or refund the removal or containment of asbestos substances in school buildings and for repairs made necessary by such removal or containment;
- To acquire or to improve all property, real and personal, appurtenant thereto or connected therewith, including school buses;
- To fund or refund outstanding indebtedness; and
- To provide for the payment of the debt.[14]

The ability of districts to borrow funds to build schools is based both on property wealth and the amount of debt the districts already have incurred. Districts nearing their debt capacity and experiencing rapid growth may be unable to get additional funding to build or renovate their schools in time to accommodate increased numbers of students. Poorer school districts, as measured by income and property wealth, often have the highest levels of deferred maintenance.

Options for state funding of school facilities

Several mechanisms exist for the state funding of schools. Among them are the following:

- State flat grants
- State loans
- Assistance with paying of local debt service
- Funding through the basic school formula
- Issuance of state bonds, then leasing facilities to districts at a minimal rate
- Granting full state funding (Hawaii)
- Entering lease-purchase agreements with districts
- Selling general obligation bonds
- Assessing municipal impact fees on developers to cover the effect of new subdivisions on adjoining school districts.

Despite the growing demand for school facility investments, raising the necessary funds to build and renovate schools has been difficult. It is believed that passage of Ballot Measure 5 in 1991, limiting what bonds may be used for and its "double majority" voting requirements, has made funding new school facilities more difficult.[15]

State Involvement

In recent years, some states have increased their responsibility for funding facilities, largely because districts do not have sufficient funds. Few states have sufficient resources to fund facilities fully, and some argue that state funding does not allow for school buildings to reflect local interests or needs. State funding is also likely to bring with it increased legislative involvement in decisions about how facilities are built.

Additionally, some believe that school and district administrators exaggerate the school facilities problem. Others blame school boards for making poor budget decisions or mismanaging capital funds, such as using up most of the district's resources on one expensive school or using capital funds for instruction instead of repairs. This concern prompted Florida lawmakers during a 1997 special session to include incentive funding for districts that build "frugal" schools and adhere to state specifications. Others fear that, if states assume responsibility for school facilities, local districts will have no incentive to plan modestly or maintain facilities prudently, leading to waste.[16]

> *The other piece is this problem of resources going to buildings and maintenance. The newest building in Corvallis is a high school that was built in 1970. The president of the Lebanon Education Association told me the other day that the newest building in the Lebanon school district was built in 1956. I'm sure that this is pretty consistent in communities all around the state, and I sure would like to see the state set aside a special fund to help us upgrade our facilities without it having to drain on the general fund budgets.*
>
> Marty Bronstein

Oregon law provides a facility grant equal to eight percent of a new school's construction costs which is distributed to the school district within the first year the school is used. The grant cannot be used for construction costs, but for equipment and supplies excluding from bonding. In 1999, the legislature funded this program with $17.5 million for the 1999-01 biennium.[17]

National Lawsuits

While most lawsuits involve inequities in school finance formulas, three recent lawsuits suggest that lack of equitable school facilities could lead to litigation, forcing states to address the issue.

In 1994 Arizona became the first state whose school funding system was declared unconstitutional based solely on the condition of school facilities.[18] The court found that "the number of schools, their condition, their age, and the quality of classrooms and equipment" were disparate. The court found that these disparities were a violation of a requirement in the Arizona Constitution for a general and uniform public school system. After the state Supreme Court nullified three previous plans, lawmakers crafted a plan to spend $372 million a year (state general funds) to build, equip, and maintain public schools and replace the current method of using local voter-approved, tax-financed bonds. This plan still allows school districts to go to their voters to request limited bonding to augment state money.[19]

In 1987, the Texas courts declared inequities in school facilities to be as unacceptable as inequities in operating expenditures.[20]

In 1997, the Ohio Supreme Court found the state financing system in violation of that state's constitutional provision that there be a "thorough and efficient system of common schools" throughout the state.[21] In making its decision, the court cited the age and condition of school facilities, noncompliance with federal and state health and safety mandates and lack of money to purchase necessities such as textbooks.

Article VIII, section 3 of the Oregon Constitution states that "The Legislative Assembly shall provide by law for the establishment of a uniform, and general system of Common schools." However, it should also be noted that very specific facts existed in both Arizona and Ohio that established large disparities among school districts and that these disparities are what the courts based their findings on.

Other State Activities

Florida lawmakers, faced with a $3.3 billion price tag to meet the Governor's Commission on Education's estimate of the state's school repair and construction needs, brokered an agreement to spend $2.7 billion in borrowed funds to build schools over the next five years.[22]

Georgia voters approved a one-cent local sales tax for education in 1996, which may be used for school construction.[23]

In 1997, the Texas Legislature approved a new $200 million facility assistance program, to pay principal and interest on bonds prior to their issuance.[24]

Alternative Strategies

When constructing new school facilities is not feasible, there are some options for school districts.

Familiar to most Oregonians, portable classrooms have been used as a temporary solution for schools with larger than anticipated growth.

Year-round schools have been used by some districts to cope with overcrowding. Although this is seen as efficient, parents, teachers, and students are not always receptive.

A school may share or rent existing facilities within the community. This option has been used by many charter schools in the country, who do not have their capital needs funded.

Virtual schools use the Internet for students to "log on" to classrooms, negating the need for brick-and-mortar buildings.

Chapter Endnotes

[1] *Oregon Quality Education Model*, p. 42.
[2] Oregon Association of School Executives, School Funding Coalition, *Keys to a Quality Education*, January 1997, p. 10.
[3] *Class Size Cost Survey*, Confederation of Oregon School Administrators, undated memo. Survey was mailed mid-February, 1998. 110 districts responded.
[4] COSA's recommended class sizes vary somewhat from the prototype schools. COSA recommends no more than 20 students per class for K-3, no more than 25 students per class for grades 4-5, and that middle and high school grades have no more than 27 students per licensed classroom teacher.
[5] Oregon Department of Education 1999-00 reported enrollment figures.
[6] Figure based on the $43 million cost of the planned West Salem High School by the Salem-Keizer School District.
[7] *Oregon Quality Education Model*, p. 33.
[8] General Accounting Office, *School Facilities: Condition of America's Schools*, (Letter Report, 02/01/95, GAO/HEHS-95-61).
[9] Education Commission for the States, *School Facilities: Making Better Decisions*, April 1998, http://www.ecs.org.ecs/ecsweb.nsf/3...01bc2587256626006f2bf3?
[10] Clinton, President Bill, *President Clinton's Commitment to Repair, Renovate, and Renew America's Schools*, Press release, January 5, 2000, www.whitehouse.gov/library/ThisWeek.cgi?type=p&date=6&briefing=0
[11] Proposed bills that would have allowed system development charges to be used for schools: HB 2523, HB 2343, HB 2858, HB 3401 (1999); SB 901, HB 3347, HB 3348, HB 3370 (1997); HB 2898 (1998).
[12] ORS 223.297.
[13] Bender, Dan, *Initiatives call for SDCs to help schools*, The Statesman Journal, January 27, 2000.
[14] ORS 328.205.
[15] Oregon Constitution, Article XI, section 11(13)(b).
[16] Education Commission for the States, *School Facilities: Making Better Decisions*, April 1998.
[17] ORS 327.008(2); ORS 327.008(6); ORS 327.013(11)(a).
[18] *Roosevelt Elementary School District v. Bishop*, 877 P.2d 806 (Ariz. 1994).
[19] Whitney, Terry N., *State School Finance Litigation: 1999 Summary and Analysis*, State Legislative Report, Vol. 24, No. 8, December 1999.
[20] *Edgewood Independent School District v. Meno*, 893 S.W.2d 450 (Tex.1995).
[21] *DeRolph v. State*, 677 N.E.2d 733 (Ohio 1997).
[22] Bell, Julie David and Terry Whitney, *A for Adequate, F for Funding*, State Legislatures, March 1998, p. 24-29.
[23] Ibid.
[24] Ibid.

TRANSPORTATION

The Oregon Quality Education Model, by its own admission, does not deal with transportation costs. Some members of the Review Committee commented on this omission, and thought it needed to incorporated into any future Model refinements.

To appreciate the number of miles school buses log, consider that Three Rivers School District (Josephine County) buses travel 1,304,847 miles a year.[1] Sprawling districts also incur additional costs when geographical distances necessitate more school facilities to be built and maintained.

Oregon school districts vary greatly in geographic size, student density, traffic congestion, and other factors. Districts do not have much control over these factors. Oregon law reimburses school districts for 70% of their "approved" transportation costs, requiring a district contribution to encourage efficiency.

> *In none of the prototype schools is transportation even mentioned, and this is linked to cost. Transportation costs in the three districts I've worked for are a large part of the school budget and it is also a large part in how much time you have the kids.*
>
> Linda Verdoorn

Approved transportation costs in Oregon law means those costs as defined by rule of the State Board of Education and are limited to costs that are attributable to transporting or room and board provided in lieu of transportation. Approved transportation costs include:

- Elementary school students who live at least one mile from school;
- Secondary school students who live at least one and a half miles from school;
- Any student required to be transported for health or safety reasons, according to supplemental plans from districts that have been approved by the state board identifying students who are required to be transported for health or safety reasons, including special education;
- Preschool children with disabilities requiring transportation for early intervention services provided pursuant to ORS 3343.224 and 343.533;
- Students who require payment of room and board in lieu of transportation;
- A student transported from one school or facility to another school or facility when the student attends both schools or facilities during the day or week; and

- Students participating in school-sponsored field trips that are extensions of classroom learning experiences.[2]

While the OQEM did not address transportation costs, some expressed concern that the current 70 percent reimbursement rate was not high enough, given some district's transportation costs, and that this level be reviewed during any refinement of the Model.

> *Our district sends a lot buses out, to pick up some kid on some far off road, and I looked at the $231/per student figure in the Model, so I asked and got some information and our school district spends anywhere from 2 to 3 times more for busing.*
> Tom Gentry

Alternative policy options[3] include the following:

- ✓ Replacing the transportation grant with factors such as population density, geographic size, bus route miles, and weather;
- ✓ Allowing districts to keep 100% of savings made through efficiencies (rather than the current 30%); and
- ✓ Reimburse schools at a different percentage than the current 70% of their costs.

Funding Inequities

Does the 30% a district pays for transportation vary significantly from district to district? Does this difference constitute an inequity in district funding? This is a policy decision for the legislature.

For example, Eugene spends approximately $139.22[4] on transportation per student (*not* transported student). Mitchell school district spends $1618.70[5] per student. This $1479 difference translates into an additional $443 (30% of total) cost for the Mitchell school district who must make this up out of its operating funds.

Schools that board their students instead of busing them pose a slightly different question. The difference between Parkrose High School at $137.54 per student, and Crane Union High School at $5538.36 per student translates into a difference in cost to Crane Union High School of $1620.24.[6] Are the expenses incurred by such remote schools best handled through the transportation grant, or are there other avenues?

Chapter Endnotes

[1] Oregon Department of Education, *Summary of Student Transportation for School Year Ending 1999*, p. 4.
[2] ORS 327.006 (2).
[3] Legislative Revenue Office, *State School Fund Transportation Costs*, Memo, November 1998.

[4] Three Rivers School District business office, *Summary of Student Transportation for School Year Ending 1997*. Figures based on Department of Education data.
[5] Ibid.
[6] Figure derived by subtracting $137.54 from $5538.36 ($5400.82) and multiplying that by .30, (the amount districts must pay from their operating expenses), resulting in an additional $1620.24 Crane Union High School must pay out of its operating funds when compared to Parkrose.

A Review of the Oregon Quality Education Model

Prepared for the

Oregon House Special Committee on the Quality Education Model Review

January 27, 2000

by

Augenblick & Myers

John L. Myers and Justin Silverstein

Introduction

The Oregon Quality Education Model, as published in June of 1999, is being used to encourage the Legislature to set a K-12 education funding level that is significantly higher than the current spending level. This report will examine some of the key issues raised by the national trends in school finance adequacy, then it will examine the Oregon Quality Education Model.

School Financing Issues

For the past 25 years the focus of education funding issues for state legislatures has revolved around the issue of equity. This discussion focused on making sure that the money available for students did not depend on the wealth of their community. In other words, the differences in the dollars raised by property taxes were offset by state aid. This led to school funding formulas that provided significant state equalization aid while requiring equal local efforts.

Due to a national trend toward raising academic standards and several state lawsuits over the last ten years, the focus in school finance has shifted to the issue of adequacy. States have set standards of performance expected of students. Some states have recognized that by setting those standards the state becomes responsible for providing the level of funding needed to achieve that level of performance.

Approaches to Adequacy

This new focus on adequacy has led to the creation of four approaches used to determine the level of funding a state may use in setting an appropriate funding level. Those four approaches are:

(1) "Market Basket" or "Professional Judgment" approach;

(2) Statistical Analysis Approach, (inference from outcomes by statistical analysis);

(3) Successful Schools Approach, (inference from the outcomes of successful schools); and,

(4) Specific Curriculum Approach.

Each of these approaches has strengths and weaknesses but all are being considered as a way to assure adequate education. By providing this brief description of each, it is hoped that it will be easier to understand the Oregon Quality Education Model.

Market Basket Approach

This approach is the most similar to the way the Oregon Quality Education Model was put together.

Description:

The "Market Basket" or "Professional Judgment" approach identifies the costs of "inputs" needed to fund a system that will provide for the average student to achieve state standards. These inputs include such things as: student-teacher ratios, staff salaries, building maintenance, transportation needs, material and supplies, and operating needs. These costs are put together for a typical or "prototype" school. This approach relies on

the professional judgment of educators to identify the inputs needed for these prototype schools and to assure the connection between resources and performance.

The total cost for the prototype school is determined based on different levels of service, typically, elementary, middle, and high schools. A per pupil cost is then determined for each of these levels. Adjustments to this per pupil amount are made for the increased costs needed because of special education, limited English proficiency, economically disadvantaged students, etc. Additional adjustments can be made for cost-of-living differences in school districts because of location and because of school district size, either large or small.

Strengths:

- Understandable by legislators and educators in the traditional education system.
- Does not require significant outcome performance data.

Weaknesses:

- Identifies "inputs" that are unrelated to student performance.
- Does not have a direct tie between outcomes and funding.
- Legislatures have difficultly accepting the performance-input connection.

STATES USING THIS APPROACH:

- Wyoming[1]
- (Alaska and Illinois have had studies that are yet to be adopted.)

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[1] Wyoming is currently attempting to respond to the court on the use of certain adjustments used in the new formula.

Statistical Analysis Approach

Description:

The approach uses statistical analysis to determine what the basic cost of each individual resource is for the state. It then uses the analysis to adjust these costs for the area they will be used, focusing on both the added costs of resources and the additional resources needed to produce the same results in different districts. It then sets a per pupil or per school cost based on these factors. The approach recognizes that costs vary from district to district.

This approach was used in a recent analysis in the State of New York. The study said that in order for students to pass the New York State Regents Exam, it would take "two to three times greater (funding) in New York City," than the typical Long Island district.[7]

Strengths:

- Allows policy makers to choose an amount a district will need based on the desired level of performance.
- Recognizes that the same resource, for example, a teacher with the same experience and education, can produce different results depending on where it is used.

Weaknesses:

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[7] Viadro, Debra, "How Much is Enough?," Education Week, September 29, 1999.

- Leads to significant differences in the amount of funding school districts in the same state would receive.
- Difficulty in understanding the statistical analysis used in this approach has stopped state policy makers from using it.

STATES USING THIS APPROACH:

- None.

Successful Schools Approach

Description:

The "Successful Schools" approach first identities a group of school districts that meet the state's performance goals, which may include graduation rates, attendance rates, and drop-out rates, but state assessment scores are most often used. Spending of these successful districts is analyzed to identify a basic cost for an average student. These base spending figures are then averaged to set a basic cost for use in the funding formula. In order to create a proper distribution formula, adjustments are made for increased costs of special education, economically disadvantaged, limited English proficient students, etc. Cost-of-living and school district size adjustments can also be made, based on the differences among the school districts in the state.

Strengths:

- Policy makers can identify with the level of student performance selected and local school districts decide on how the money is to be spent.
- School districts are expected to meet the performance goals set by the state given the success of other school districts with the same level of funding.

Weaknesses:

- The need for sufficient data on both student outcomes and basic costs.
- The assumptions that all school districts can be successful with adequate dollars.

STATES USING THIS APPROACH:

- Ohio
- New Hampshire
- Mississippi

Specific Curriculum Approach

Description:

This approach relies on the use of "off-the-shelf" school improvement models, such as those developed by the New American Schools (NAS). This includes specifying such "inputs" as the number of personnel, time spent on types of instruction and instructional materials and uses their costs as a method of determining the adequate cost of an education.

Strengths:

- Research on the success of NAS schools will be ongoing.

Weaknesses:

- The success of the NAS designs is still being evaluated.
- Even if the programs can be shown to be successful, they would need to be designed to correspond with a state's specific performance goals.

- Loss of local control over curriculum
- In order to use this approach for a statewide formula, some selection of which program or programs would be used and school district operating costs that are not directly related to the instructional strategy would need to be accounted for.

STATES USING THIS METHOD:

- None.

The Oregon Quality Education Model

The Oregon Quality Education Model (OQEM) uses an approach similar to the "Market Basket" approach to establish whether the Legislature is providing adequate funding for students to achieve the state standards and to provide for, "all the elements of a quality education and learning environment."[1] The student performance goal selected was to have all schools have 90% of students achieving benchmark state standards. The Model identifies and determines a cost for 30 to 60 cost components for each of three levels of prototype schools.

Augenblick & Myers (A&M) was asked to do an analysis of the OQEM by reading the June 1999 report and writing a brief report that includes: whether the Model is valid, the validity of its assumptions, the relationship between the Model and student performance, and the ramifications of the Model on the role of the State.

The OQEM estimates the cost of the full program on the basis of full implementation and a phased-in implementation. The estimate is calculated by

establishing a per-pupil cost for each of the three prototype schools. This estimate is then multiplied by the number of students in the state to produce the cost.

The Analysis of the Oregon Quality Education Model

STATE AND DISTRICT DISTRIBUTION FORMULA NOT SPECIFIED

OQEM uses the school as the unit of analysis and (self-admittedly) does not attempt to aggregate the costs to a hypothetical district. Oregon schools are not currently funded directly, rather, they receive their resources from their respective districts. In order for the Legislature to use the OQEM, a distribution formula is needed that uses the suggested approach.

PROTOTYPICAL SCHOOL VS. REAL SCHOOLS

The Model's use of prototypes schools means that converting to a distribution formula will require funding adjustments for real schools. As mentioned above, these adjustments will need to be made so that the school district becomes the target for funding. The Model does not provide for a possible allocation or distribution to Oregon school districts based on its findings and the adjustments that would be needed.

QUALITY VS. ADEQUACY

One of the first questions that arise is the difference between "quality" and "adequacy." Unlike most states, the OQEM seeks to define and put a cost on *quality*

Oregon Legislative Assembly, The Oregon Quality Education Model Relating Funding and Performance.

rather than adequacy, stating that attention was given to quality rather than adequacy. To use this approach to help set the level of funding for the school districts in Oregon, it will be necessary to pay attention to the cost impact.

The other states mentioned above set a school funding level that is at an adequate level. In those states, quality is assumed to come from local school district activities in the use of the adequate dollars provided. By prescribing a "quality" funding allocation strategy for schools, the Model has the de facto impact of taking away local school district control over the learning environment.

As mentioned earlier, the OQEM uses the goal of 90% of students in all schools achieving state standards. This is a goal that would be much more difficult to accomplish than a statewide 90% goal. It is also a goal that does not take into account the variations among current school sites. It is unclear what changes to the Model would be needed if the goal was 80% or 90% statewide rather than 90% for "the vast majority of schools." The current level of student performance by schools is not shown in the report of the Model.

LINKING FUNDING WITH STUDENT PERFORMANCE

Another concern is the validity of the dollar amount established by this kind of approach. It is impossible to determine OQEM's validity without more information on the connection between the cost components (inputs) and student performance (outputs). The consultants using the "Professional Judgment" approach in other states recognize that there is no need for the level of precision of the OQEM as it relates to most of the

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cost components. It is unclear if the work that led to the OQEM sufficiently considered the relationship between various levels of performance and various levels of some of the key cost components. Were various levels of pupil teacher ratio, teacher professional development, and teacher salaries compared to various levels of student performance? As an example, in Appendix D the discussion of professional development shows a suggested level of $2,500 per teacher. The question is, Does student performance change if that amount is $3,000? What about $6,000? The report goes on to dictate how much of that money is to be spent at the school site, the school district and by the state or regional groups. It is difficult to see how this overly precise allocation of where funds should be used is related to student performance.

What is missing in the OQEM that is in other market basket approaches is the more explicit link to performance that is assured through the professional judgement process.

TEACHING STAFF

Quality teaching is known to play a key role in student performance. A teacher's knowledge and skills, class size, a teacher's salary and benefits, and teacher professional development opportunities are related to student performance. Quality teaching is defined in the OQEM as the statewide average teacher salary, a specific class size for each prototype, and the overly prescriptive professional development proposal discussed earlier. It is not clear that the OQEM took into account the research that supports paying teachers differently than the current salary schedule based on teacher effectiveness.

OQEM IS RIGID IN APPROACH

Most of the assumptions and much of the work of the study groups appears to have been based on the traditional model of school operations. Critics of this approach would suggest that charter schools, innovative NAS programs, or other future oriented-technology based programs use their resources differently. This is a problem for all market basket approaches but has additional impact for the OQEM because of its extensive list of cost components.

STATE ROLE IS OVERLY PRESCRIPTIVE

One of the most important concerns about the OQEM is the impact on the proper role for the state in a standards based education reform effort. Most educational policy leaders and education researchers are arguing for the state role in education reform to be limited to setting standards, developing and/or determining the assessments used to determine success on the standards, providing adequate funding, and holding school districts accountable for student success. Across the nation, the trend is for local school districts and school sites to be the places that decide how dollars are spent and which resources are needed. The OQEM assumes that the state is setting the best approach to achieving quality education. The other approaches discussed in this paper assume or explicitly state that it is the local school district or local school site that is best suited to determine how to spend money.

SUGGESTIONS

- Set state standards and assessment levels specifically for use in an adequacy model.
- Use one of the other approaches to establishing an adequate funding level.
- Require any approach used to request funding to provide a school district distribution formula.
- Create a school district accountability system with specific school district performance goals, rewards and sanctions.
- Let school districts achieve a quality education through the freedom to determine how teaching and learning takes place.

CONCLUSION

In conclusion, this analysis raises several concerns that must be addressed for the OQEM to become the basis for a school funding system.

AUGENBLICK & MYERS

CLIENT LIST

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- New Jersey
- South Dakota
- Office of the Lieutenant Governor, Vermont

State Legislatures:
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- Mississippi
- Pennsylvania
- South Carolina

Attorney General's offices:
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- Kansas
- Maine
- New Hampshire
- Wyoming

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- Maine
- Kentucky
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State School Board Assns:
- Louisiana
- Colorado
- Minnesota

School Districts:
- Arizona
- Arkansas
- Minnesota
- Missouri
- Montana
- New Jersey
- North Dakota

Augenblick & Myers (A&M) has spent the last 16 years working with states to assist with the policy decisions concerning education finance and accountability.

A&M has been instrumental in developing the state aid allocation systems in many states including Kentucky (1990), Louisiana (1992), Mississippi (1997), and Kansas (1992). We have also worked on the recent school funding debates in New Hampshire, Ohio, and Wyoming. These three states have responded to court cases by using one of the two methods of establishing the cost of an adequate education that have been used by states.

In Wyoming, A&M assisted the state in evaluating the new funding system based on the "professional judgement" approach and developing adjustments for small schools.

In 1991, A&M assisted Oregon in developing a school funding formula following the passage of Ballot Measure 5.

A&M assisted New Hampshire and Ohio in the using the successful schools approach to determine the cost of an adequate education. Our work in New Hampshire began with the Speaker of the House, moved to a joint Legislative Commission, and concluded with help to the Senate Education Committee. In Ohio, the leadership to the Legislature and the Governor and his staff led the task force that used A&M's assistance.